



PROGRESS REPORT

Economic Development Administration Austin Regional Office

Award Number: 08-79-05216

Project Title: Hurricane Harvey Economic Recovery

Reporting Period: October 1, 2018 – March 31, 2019

Background

The International Economic Development Council (IEDC) was awarded a two-year Economic Development Administration (EDA) grant of \$175,000 (with a recipient share of \$43,750, for a total amount of \$217,750) on September 26, 2017. The grant is to support the Economic Recovery Volunteer Program, which coordinates and deploys volunteer assistance to Texas communities impacted by Hurricane Harvey. Southwest Airlines generously donated air tickets to help support this grant and bring staff and volunteers to Texas.

This set of services and resources is broken into two tasks:

TASK 1: Assess economic recovery needs for 2017 disaster-impacted communities

TASK 2: Match, prepare, deploy and support experienced economic development volunteers to affected communities.

To date under this grant (Oct. 1, 2017, through March 31, 2019), we have deployed 21 volunteers on assignments in 18 communities, who collectively have donated more than 1,000 hours to economic recovery projects in Texas.

Reporting Period Achievement Highlights

TASK 1: Assess Economic Recovery Needs for 2017 Disaster-impacted Communities

IEDC examined federal reports, data sets and news media to determine the impacts of Hurricane Harvey to local businesses, industries and the economy in Texas. The needs assessment has been submitted to EDA; a copy is included in Attachment A.

TASK 2) Match, prepare, deploy and support experienced economic development volunteers to affected communities.

The chart below is organized by host organization and includes volunteer deployments completed as of March 31. Five volunteer assignments and a guidance call were completed.

Volunteer Deployments Completed or In Progress, October 1, 2018 – March 31, 2019.

Organization Served	Location served	Purpose	Volunteer Name	Date of Trip	Economic Development District
City of Ivanhoe	Ivanhoe, TX	Strategic action plan for economic development	Courtney Zaugg, CECD, Director of Economic Development, Veridus Group	July 29 - Aug. 1 COMPLETED	Deep East TX Council of Governments
Lake Houston Area Economic Development Partnership	Humble, TX	Advise regarding development of post-disaster BRE survey and strategy; software training	Christine Bryant Director of Business Retention and Expansion, Corpus Christi EDC	Aug. 29-30 COMPLETED	Houston-Galveston Area Council
City of La Porte	La Porte, Texas	Provide guidance on a SWOT analysis and strategy for improvement of retail and quality of life	Ivan Baker, CECD, AICP, FM, President and CEO, North Central Illinois Economic Development Corp.	Sept. 23 - 24 COMPLETED	Houston-Galveston Area Council
Deep East TX Council of Governments	Jasper, TX	Provide mentoring on assessment and project development in San Jacinto County	Jim Fram, CECD, CCE, FM, Community Growth Strategies, LLC	Sept. 23 - 27 COMPLETED	Deep East TX Council of Governments
Refugio County EDC	Refugio, TX	Assess demand/opportunity for new housing in five towns in the county	Jim Russell, Executive VP, the Pizzuti Companies Rick Stein, Urban Decisions Group	Nov. 12 - 17 COMPLETED	Coastal Bend Council of Governments

SURE™ Program, Univ. of Houston	Harris County	Call to provide guidance and resources on development of training program (*Call notes provided in Attachment B)	Rob Williams and colleagues (Sure Program), SourceLink Team	Nov. 28	Houston- Galveston Area Council
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Supplemental Information

Project Observations

The following section includes observations from both communities and volunteers about their experiences and outcomes with completed projects through the Economic Recovery Volunteer Program.

ZAUGG

Volunteer:	Host Entity	EDD District & County
Courtney Zaugg, CEcD, Director of Economic Development, Veridus Group	City of Ivanhoe, Texas	Deep East TX Council of Governments, Tyler County
On-site Work Dates:	Organizations involved during implementation	
July 29-August 1	City of Ivanhoe, Texas	
Scope of Work	Outcomes*	
Strategic action plan for economic development	I helped them complete an economic development action plan to help recovery from Hurricane Harvey. We conducted a web survey that collected over 220 respondents, as well as interviews with six local and regional leaders in economic development, education, and municipal governance, and a ‘town hall meeting’ in order to understand the economic landscape and opportunities. Existing partnerships with these leaders were strengthened, and City officials have been appointed to economic development committees, helping increase the exposure and resources for the City.	
*Include metrics such as number of contacts made, applications/reports completed, dollar amount of funds requested, percentage of progress completed, resources leveraged, partnerships established and other deliverables or tasks completed etc.		
Next Steps by Host Entity	Next Steps by Volunteer	Short/Long Term Economic Recovery goal to be achieved
Implement bond approval for road improvements and grant	Follow-up in Spring 2019 to assist with social media marketing initiatives and policies.	Fund infrastructure improvements and increase marketing efforts.

writing/submission for 2019 infrastructure funding.		
Other Comments		
<p><i>How was your experience working with this organization/community?</i></p> <p>Wonderful! I love working with the small towns who have really deep issues but are led by remarkable and resilient people. I would love to volunteer again in the future.</p> <p><i>How was your experience working with IEDC in the Economic Recovery Program?</i></p> <p>Great, as well! My only suggestion would be to provide connections to other economic developers in the region so that there is a resource for volunteers to find municipal finance information.</p>		

Report from Zaugg and the Veridus Group is included in Attachment C.

Organization's Evaluation of Experience with IEDC Volunteer	
Organization POC and title	Mayor Cathy Bennett, City of Ivanhoe, TX
What were the outcomes* from the volunteer contribution?	<p>A much clearer understanding of the importance of working together. We have made great strides in developing greater communication and cooperation with the different groups.</p>
What are the short/long-term recovery goals to be achieved?	<p>The first goal was to pass a Bond Issue to perform much needed roadwork within our city. That passed in November.</p> <p>We have also applied for a grant to assist in additional infrastructure repair.</p> <p>With the suggestion/encouragement from Courtney I have become very involved in regional economic development programs and we are currently creating a business plan for developing a strip shopping center.</p> <p>We have also been advised that we will have a Dollar General coming into our city by the end of the year.</p>

What are your next steps?	<p>I am working closely with regional economic advisors to determine the best use for a 22 acre piece of land that formerly was a lake which we lost in Hurricane Harvey. We are considering a 9 hole 3 par golf course. We understand that this would need to be a private/public partnership.</p> <p>We have been advised that there is funding through the EDA to support economic recovery in disaster areas. This could potentially be a way to help support the strip center development with utility services and/or road work to service the golf course.</p>
How was your experience working with the IEDC Volunteer?	Courtney Zaugg, the Veridus Group, was extraordinary. We cannot thank her enough for the help/insight she provided.
How was your experience working with IEDC in the Economic Recovery Program?	<p>The program for our little community which is extremely underfunded has been invaluable. We are a very small city that incorporated less than 10 years ago so the professional guidance we received has really been beneficial.</p> <p>The program has made us much more aware of possibilities.</p>

BRYANT

Volunteer:	Host Entity	EDD District & County
Christine Bryant Director of Business Retention and Expansion, Corpus Christi EDC	Lake Houston Economic Development Partnership	Houston-Galveston Area Council, Harris County
On-site Work Dates:	Organizations involved during implementation	
August 29-30	Eric Canada - Blane/Canada Corpus Christi Regional EDC Lake Houston Economic Development Partnership	

Scope of Work		Outcomes*
Advise regarding development of post-disaster BRE survey and strategy; software training	Training and strategic application of Synchronist and SBA data for Lake Houston business recovery following Hurricane Harvey.	
*Include metrics such as number of contacts made, applications/reports completed, dollar amount of funds requested, percentage of progress completed, resources leveraged, partnerships established and other deliverables or tasks completed etc.		
Next Steps by Host Entity	Next Steps by Volunteer	Short/Long Term Economic Recovery goal to be achieved
The CCREDC stands ready to assist with any ongoing needs from Lake Houston.	Continued conversation with Mark Mitchell on disaster recovery programs.	To assist Lake Houston EDC to set up Synchronist database, train on the system and develop the most effective method of strategic assistance to Hurricane Harvey affected businesses
Other Comments		
<p><i>How was your experience working with this organization/community?</i> Our organization was honored to work with Mark Mitchell. Both myself and Tommy Kurtz, CECD had worked with Mark in other markets, a very positive experience.</p> <p><i>How was your experience working with IEDC in the Economic Recovery Program?</i> It was an honor to volunteer with IEDC and the Economic Recovery Program. Thope to able to continue to be of service to the organization and would be delighted to continue to volunteer.</p>		

Organization's Evaluation of Experience with IEDC Volunteer	
Organization POC and title	Mark Mitchell, President, Lake Houston Economic Development Partnership

<p>What were the outcomes* from the volunteer contribution?</p>	<p>Multiple strategy sessions for business outreach and contact management</p> <p>BRE disaster survey template</p> <p>Distilled disaster recovery company data base formatted to Synchronist CRM platform</p> <p>Provided grant funding to three businesses from strategy with additional businesses in queue to receive support</p>
<p>What are the short/long-term recovery goals to be achieved?</p>	<p>Short term was to develop useable CRM platform with disaster recovery database uploaded into platform (short term)</p> <p>Use CRM platform for outreach, surveys and needs assessments related to disaster recovery (long term)</p>
<p>What are your next steps?</p>	<p>Use platform to fund businesses in need of financial resources or other resiliency related items.</p>
<p>How was your experience working with the IEDC Volunteer?</p>	<p>Volunteer (Christine Bryant) was excellent. She hosted meetings, helped formulate BRE strategy via multiple strategic planning sessions, and leveraged additional resources from Corpus Christi CFO and EVP to craft useable data and leverage past disaster recovery experience.</p>
<p>How was your experience working with IEDC in the Economic Recovery Program?</p>	<p>Staff participated in multiple strategic planning sessions, provided access to excellent EDC professionals for EDA grant and provided Lake Houston EDP with great exposure opportunities to leverage our existing resources. Staff was professional, courteous and an overall asset to the process.</p>

BAKER

Volunteer:	Host Entity	EDD District & County
Ivan Baker, CEcD, AICP, FM, President and CEO, North Central Illinois Economic Development Corp.	City of La Porte	Houston-Galveston Area Council Harris County
On-site Work Dates:		
September 23-24	Organizations involved during implementation City of La Porte	
Scope of Work	Outcomes*	
Advise regarding development of post-disaster BRE survey and strategy; software training	Recommendation Report for Re-development Planning of Two Primary Business Corridors	
*Include metrics such as number of contacts made, applications/reports completed, dollar amount of funds requested, percentage of progress completed, resources leveraged, partnerships established and other deliverables or tasks completed etc.		
Next Steps by Host Entity	Next Steps by Volunteer	Short/Long Term Economic Recovery goal to be achieved
Reviewing timing and budget, and strategic plan to meet revitalization goals – hopefully with major progress over a 2 year to 3 year period.	City officials are reviewing report, and will be taking steps for implementation of at least part of the plans. I will be following up with City Economic Development director every 6 months to confirm any progress....or needed suggestions.	Flooded areas of community, primarily residential, have been addressed, and flood mitigation plans are in place. Effort to strengthen nearby Business Corridors to these areas is critical for economic development growth and sustainability
Other Comments		

How was your experience working with this organization/community?

Flood damage to the city was relatively minor, as to geography. The City economic development department was the main catalyst for change and improvement in the business corridors. Officials were friendly, but this revitalization did not appear to be a funding or programmatic priority

How was your experience working with IEDC in the Economic Recovery Program?

Organized, helpful, thorough, and aggressive to meet client needs.

Report from Baker and retail profile are included in Attachments D and E.

Organization's Evaluation of Experience with IEDC Volunteer	
Organization POC and title	Ryan Cramer/ED Coordinator, City of La Porte, Texas
What were the outcomes* from the volunteer contribution?	One observation report with action ideas
What are the short/long-term recovery goals to be achieved?	Short: Give an inexperienced staff direction for retail redevelopment. Long: Bring retail development to La Porte, highlighting our beach.
What are your next steps?	Bringing the document to our development board to show an outsiders opinion and what we need to be working on.
How was your experience working with the IEDC Volunteer?	Ivan was great and I consider myself lucky to be able to spend two physical days and some calls/emails picking his brain and getting an outsider's view.
How was your experience working with IEDC in the Economic Recovery Program?	It was good, thankfully Louise Anderson was there at the beginning to hold my hand a little bit and keeping me on top of what I needed to do.

FRAM

Volunteer:	Host Entity	EDD District & County
Jim Fram, CEcD, Community Growth Strategies, LLC	DETCOG	Deep East TX Council of Governments, San Jacinto County
On-site Work Dates:	Organizations involved during implementation	
September 23-27	DETCOG	
Scope of Work	Outcomes*	
Provide mentoring on assessment and project development in San Jacinto County	Developed a plan for Christi Sullivan, a new employee of DETCOG to pursue and attain assistance for San Jacinto County via EDA grants and programs.	
*Include metrics such as number of contacts made, applications/reports completed, dollar amount of funds requested, percentage of progress completed, resources leveraged, partnerships established and other deliverables or tasks completed etc.		
Next Steps by Host Entity	Next Steps by Volunteer	Short/Long Term Economic Recovery goal to be achieved
Implement their strategy for development of the Innovation Center in San Jacinto County.	Follow-up to ensure success.	Development of an "Innovation Center" for San Jacinto County and professional training for economic development staff at DETCOG.
Other Comments		

How was your experience working with this organization/community?

Always outstanding professionalism from the officials at DETCOG and IEDC.

How was your experience working with IEDC in the Economic Recovery Program?

Very positive and fulfilling.

Volunteer report from Jim Fram is included in Attachment F.

RUSSELL AND STEIN

Volunteer:	Host Entity	EDD District & County
James S. Russell, CEcD Executive Vice-President The Pizzuti Companies	Refugio County Community Development Foundation	Coastal Bend Council of Governments, Refugio County
On-site Work Dates:		
November 12 -17	Organizations involved during implementation Refugio County, The Communities of Refugio, Woodsboro, Bayside and Austwell (Tivoli), the Refugio County Community Development Foundation representatives, numerous community groups including Habitat for Humanity, Chamber of Commerce Members, Business leaders, and general public discussions.	
Scope of Work		
Assess demand/opportunity for new housing in five towns in the county	Outcomes* Our work consisted of completing tours and meetings in all the communities in the County (listed above) and a general public “meet and greet” to discuss a variety of potential impacts to the area in addition to the Hurricane. The final report includes a housing study as well as suggestions for consideration to better position the communities to move forward.	
*Include metrics such as number of contacts made, applications/reports completed, dollar amount of funds requested, percentage of progress completed, resources leveraged, partnerships established and other deliverables or tasks completed etc.		

Next Steps by Host Entity	Next Steps by Volunteer	Short/Long Term Economic Recovery goal to be achieved
<p>The group will be reviewing results of the report and depending on what is accepted or developed based on the strategies presented, they will move ahead accordingly. Since our trip the Texas Department of Transportation has released their report on the Woodsboro/Refugio relief route study that we have reviewed and incorporated into our work.</p>	<p>We are preparing a draft of our report to the host organization and once we receive final comments we will include pictures and finalize the lay-out of the final report.</p>	<p>Included in the report are general approaches to better prepare for and attract new housing to the area and several suggestions about near and long-term strategies for business attractions, quality of life opportunities, and potential strategic investments to gain more immediate successes.</p>
Other Comments		
<p><i>How was your experience working with this organization/community?</i></p> <p>Both the organization and the communities worked tirelessly to arrange and staff a variety of meetings. A special thanks to the firm of Santos McBain Management and Planning for their efforts in organizing many of the trips and providing several key documents for review. They were thorough with the groups they included to ensure we could access as much information as we could. They also arranged for tours of key impact areas and the overall region to help us understand the impacts of Hurricane Harvey and the potential construction of a new by-pass that will divert traffic from the City of Refugio.</p> <p><i>How was your experience working with IEDC in the Economic Recovery Program?</i></p> <p>This trip was the second that I made to a Hurricane impacted community within the last 6 months. It is truly humbling to work with folks who have been devastated by a natural disaster and who do not have enough financial capacity to do what really needs to be done. The communities in Refugio County have generation issues around housing that have made even access to FEMA dollars a challenge. This is a truly important program.</p>		

Volunteer:	Host Entity	EDD District & County
<p>Rick Stein, Principal & Owner, Urban Decision Group, LLC</p>	<p>Refugio County Community Development Foundation</p>	<p>Coastal Bend Council of Governments, Refugio County</p>

On-site Work Dates:		Organizations involved during implementation	
November 12 -17		Refugio County, The Communities of Refugio, Woodsboro, Bayside and Austwell (Tivoli), the Refugio County Community Development Foundation representatives, numerous community groups including Habitat for Humanity, Chamber of Commerce Members, Business leaders, and general public discussions.	
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Other Comments			
<i>How was your experience working with this organization/community?</i> Everyone we met with was very friendly and welcoming. They genuinely appreciated our help. It became apparent that the housing and general economic struggles were well entrenched prior to the hurricane. If there is a bright spot, the hurricane aftermath was able to shine a light on them.			

How was your experience working with IEDC in the Economic Recovery Program?

How was your experience working with IEDC in the Economic Recovery Program?

This is my first IEDC assignment, so this was all very new to me. My favorite part of any project is working directly with the people affected, listening to them, taking notes, asking questions – basically, economic development detective work. That was the easy part. The hard part has been developing an approach to the analysis that best fits the situation and the needs of the community. I take pride in eschewing “boiler plate” solutions, and instead opting for a more thoughtful approach. Having said that, I underestimated the amount of time this would take...but I wouldn’t change a thing. I’m proud of the approach and the format it has taken.

Report from Stein and Russell is included in Attachment G.

Organization's Evaluation of Experience with IEDC Volunteer	
Organization POC and title	Ray De Los Santos, Executive Director, Refugio County Community Development Foundation
What were the outcomes* from the volunteer contribution?	The expected Housing & Commercial Retail Study (late Feb 2019).
What are the short/long-term recovery goals to be achieved?	Utilize study as a tool to attract/spur housing and retail development.
What are your next steps?	Receive study.
How was your experience working with the IEDC Volunteer?	Good.

How was your experience working with IEDC in the Economic Recovery Program?	Good.
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IEDC Management & Staffing Support

Lynn Knight, CECd, IEDC's Vice President of Knowledge Management & Development, serves as Program Director for all of IEDC's economic recovery work.

IEDC Senior Associate Louise Anderson served as Project Manager through September 30, 2018. Dr. Gareth Potts, IEDC Senior Fellow, took over as Project Manager as of October 1, 2018.

Attachments

Attachment A: Hurricane Harvey's Impact in Texas: An Economic Recovery Needs Assessment

Attachment B - SURE and SourceLink Call Notes

Attachment C: City of Ivanhoe, Texas: Assessment and Action Plan

Attachment D: On Redevelopment and Revitalization of Spencer Highway and Main Street Corridors

Attachment E: La Porte, TX Retail Profile

Attachment F: Jim Fram - Volunteer Report to IEDC

Attachment G: Refugio County Economic Recovery Program

Hurricane Harvey's Impact in Texas: An Economic Recovery Needs Assessment

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Acknowledgments

Introduction

The U.S. Economic Development Administration (EDA) Austin office has provided \$175,000 in Economic Adjustment Assistance funds to the International Economic Development Council (IEDC) to support disaster economic recovery from Hurricane Harvey in the state of Texas. The scope of work for this project includes assessing economic recovery needs for impacted communities, and identifying, preparing and deploying experienced economic development volunteers to provide assistance to affected communities. This assessment covers federally declared counties in Texas.

The assessment was conducted to help IEDC understand where community post-disaster economic recovery needs are greatest and where capacity to respond is most limited. In conjunction with other resources, the results of the assessment will inform IEDC's selection of communities for volunteer assistance.

The needs assessment is based on the following information:

- Responses to a call for communities to request assistance;
- Federal and state information and data;
- A review of media articles; and
- Interviews with regional councils and representatives in affected communities.

Hurricane Harvey Impacts

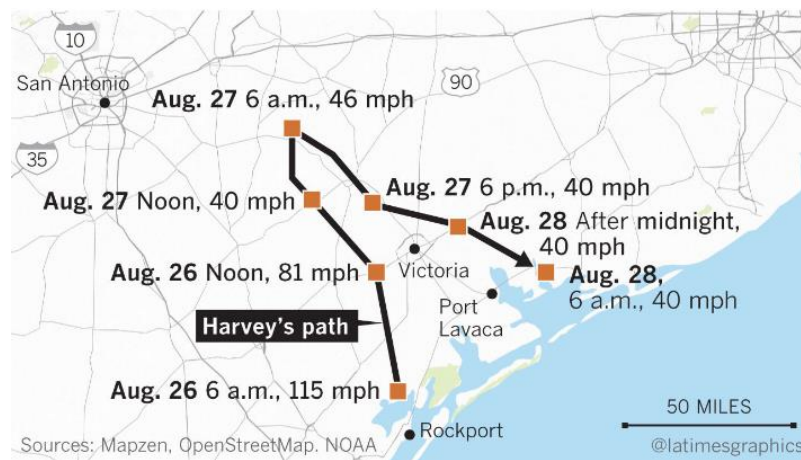
Hurricane Harvey struck shore on August 25, 2017, as a Category 4 hurricane. It was downgraded to a tropical storm on August 26, but continued to cause significant flooding throughout southeastern Texas.

The storm dumped an estimated 27 trillion gallons of rain, reaching up to 51 inches in some areas, with winds topping 130 mph.¹ Texas officials reported 82 fatalities,² and over 30,000 people required emergency shelter during the storm.

¹ Griggs, B. (2017, September 01). Harvey's devastating impact by the numbers. CNN. <http://www.cnn.com/2017/08/27/us/harvey-impact-by-the-numbers-trnd/index.html>

² Moravec, E. R. (2017, September 14). Texas officials: Hurricane Harvey death toll at 82, 'mass casualties have absolutely not happened'. *The Washington Post*. https://www.washingtonpost.com/national/texas-officials-hurricane-harvey-death-toll-at-82-mass-casualties-have-absolutely-not-happened/2017/09/14/bff3ffea-9975-11e7-87fc-c3f7ee4035c9_story.html?utm_term=.4370d9ef4764

Figure 1: Hurricane Harvey's Path



Source: LA Times

Harvey caused significant property damage, with an estimated 150,000³ properties and up to 1 million vehicles damaged or destroyed by high winds, flooding and falling debris.⁴ According to the latest Moody's cost estimate, Harvey caused a total of \$81 billion⁵ in damages.

Small businesses, in Houston and elsewhere, were hit hard. Many small retailers saw a significant decline in earnings during and immediately after the storm. Small businesses face high costs and damages, having to replace carpets, damaged equipment and inventory, and repair flooded basements and leaking roofs. Additionally, many businesses struggled to meet payroll, reconnect with suppliers, and draw customers back. Many employees were out of work and unpaid as businesses began to repair the storm's damage, or did not have housing and could not return to work. FEMA estimates that 40% of small businesses do not reopen after this kind of disaster.

Many individuals experienced flooded homes, with damage to rooftops and flooring often resulting in lingering issues such as mold and leaks. In some coastal areas, housing was completely destroyed by rain and wind. Many homeowners lacked sufficient insurance to fully cover the damages, or lack any insurance at all.

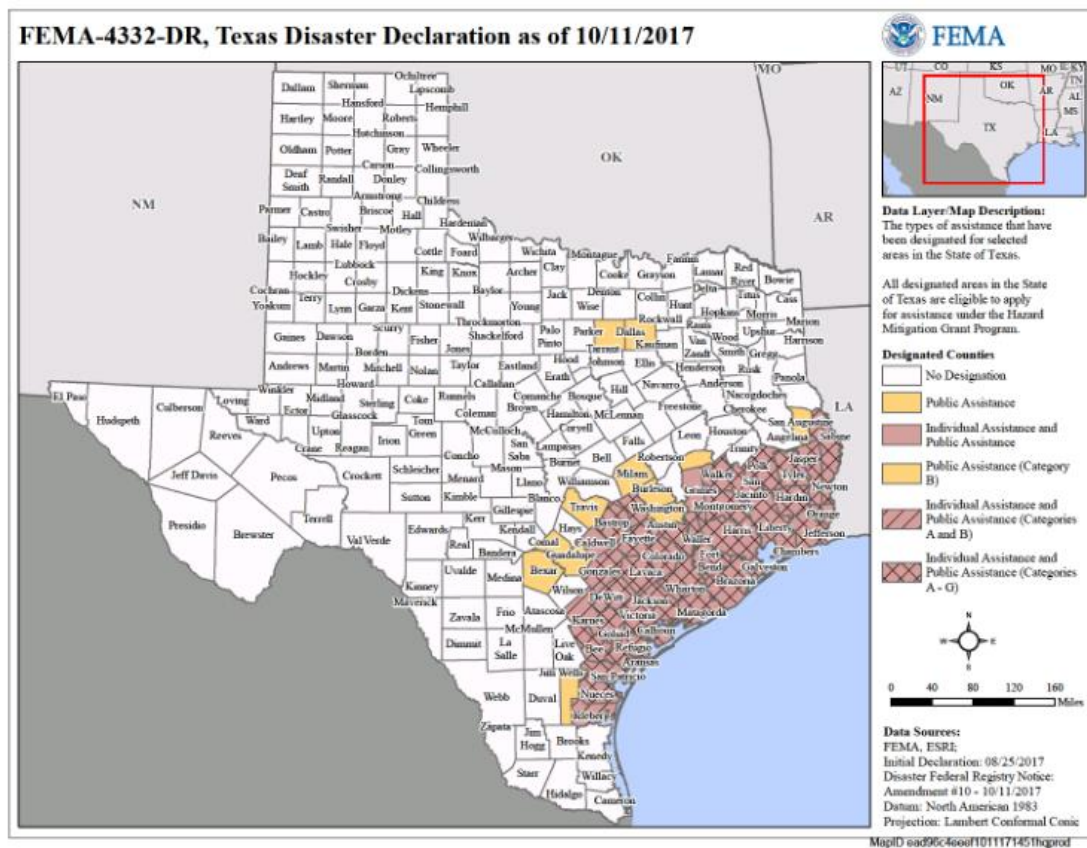
³ Carlsen, A., & Rebecca, K. K. (2017, September 01). Where Harvey Hit Hardest Up and Down the Texas Coast. *The New York Times*. <https://www.nytimes.com/interactive/2017/09/01/us/hurricane-harvey-damage-texas-cities-towns.html>

⁴ Aisch, G., Almukhtar, S., Ashkenas, J., Bloch, M., Burgess, J., Carlsen, A., . . . Rebecca, K. K. (2017, August 24). Maps: Tracking Harvey's Destructive Path Through Texas and Louisiana. *The New York Times*. <https://www.nytimes.com/interactive/2017/08/24/us/hurricane-harvey-texas.html>

⁵ Kimmelman, M. (2017, November 11). Lessons From Hurricane Harvey: Houston's Struggle Is America's Tale. *The New York Times*. <https://www.nytimes.com/interactive/2017/11/11/climate/houston-flooding-climate.html>

Additionally, communities suffered serious damage to infrastructure and public facilities, with most counties reporting power outages, water system impacts, and road closures throughout the storm and afterward. In a number of coastal communities, recreation facilities such as fishing piers and parks were severely damaged or destroyed and will not be repaired for months or longer. Debris cleanup – fallen trees, remnants of destroyed structures, etc. – also has taken months.

Figure 2: FEMA Disaster Declarations



Source: FEMA

Counties included in the Texas Disaster Declaration are:

Aransas, Austin, Bastrop, Bee, Brazoria, Caldwell, Calhoun, Chambers, Colorado, DeWitt, Fayette, Fort Bend, Galveston, Goliad, Gonzales, Grimes, Hardin, Harris, Jackson, Jasper, Jefferson, Karnes, Kleberg, Lavaca, Lee, Liberty, Matagorda, Montgomery, Newton, Nueces, Orange, Polk, Refugio, Sabine, San Jacinto, San Patricio, Tyler, Victoria, Walker, Waller, and Wharton.

The storm's impact is summarized below by Economic Development District.

Houston-Galveston Area Council: Most of the storm's property damages were concentrated in this highly populated region. Rain and flooding caused serious damage to homes and small businesses in the Houston metropolitan area, disproportionately affecting low-income communities and affordable housing.

Coastal Bend Council of Governments: As roughly the area where Harvey both made landfall and exited, this region experienced extensive flooding from heavy rainfall, as well as wind damage. The importance of tourism to some of the coastal communities in this region exacerbated the storm's economic impacts.

Deep East Texas Council of Governments: This region saw damages mainly from heavy rains – flooded roads and homes – and falling debris.

Southeast Texas Regional Planning Commission: Heavy rain and flooding caused significant damage to public infrastructure, housing, and businesses. Damage to the area's oil refineries also impacted national oil production.

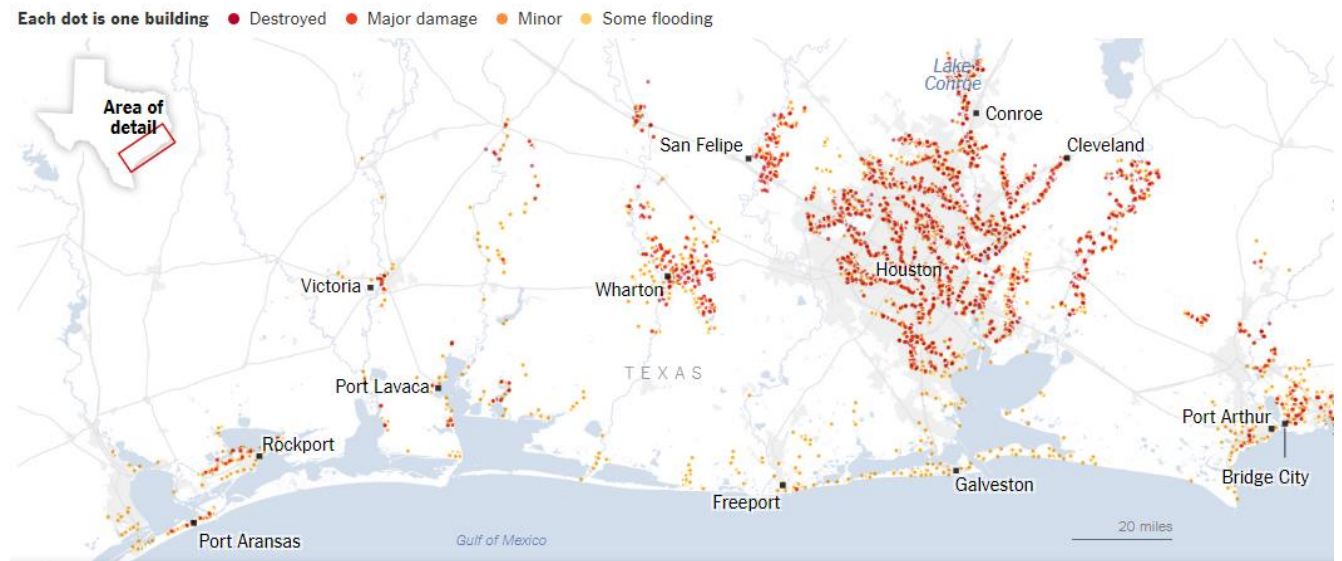
Golden Crescent Regional Planning Commission: Facing high winds, heavy rain, and flooding from the Guadalupe River, the Golden Crescent region experienced significant housing damage, especially in Victoria County.

Capital Area Council of Governments: Flooding from the Colorado River caused housing and infrastructure damage.

Brazos Valley Council of Governments: Heavy rain damaged personal and public property, flooded structures and roads. The region served as a staging area for nearby impacted counties.

Alamo Area Council of Governments: Harvey's impact was minimal in the AACOG region compared to nearby regions. Three counties experienced damaging wind gusts and rainfall.

Figure 3: Structures Damaged by Hurricane Harvey



Source: The New York Times

FEMA Claims⁶

Individual Assistance Applications approved: 361,075

Total Individual & Households Program dollars approved: \$1.48 billion

Total Public Assistance Grants dollars obligated: \$502,344,847

Industry Impacts

Employment⁷⁸⁹

In September, U.S. payroll dropped by 33,000 jobs in the aftermath of Harvey.¹⁰ One-quarter of businesses surveyed by the Federal Reserve Bank of Dallas reported a shortage of workers. Industry analysis revealed an increased demand for accountants, data entry specialists, call centers, and adjusters, but demand expected to return to normal by the end of the year. Employment began returning

⁶ Texas Hurricane Harvey (DR-4332). (2017). FEMA. <https://www.fema.gov/disaster/4332>

⁷ Rushe, D. (2017, October 27). US economy grows 3% in third quarter despite twin hurricanes. *The Guardian*. <https://www.theguardian.com/business/2017/oct/27/us-economy-grows-third-quarter>

⁸ Zehr, D. (2017, October 18). Dallas Fed: Harvey's economic damage temporary; recovery boosts demand. *Statesman*. <http://www.statesman.com/business/dallas-fed-harvey-economic-damage-temporary-recovery-boosts-demand/2kl6dpAO3jwWEahkk9nmfO/>

⁹ Zehr, D.

¹⁰ Schoen, J. W. (2017, October 06). Restaurants and hotels were the biggest job losers last month, thanks to hurricanes Harvey and Irma. *CNBC*. <https://www.cnn.com/2017/10/06/restaurants-and-hotels-were-the-biggest-job-losers-last-month-thanks-to-hurricanes-harvey-and-irma.html>

to normal after strong growth throughout October and November; U.S. payroll added 261,000 jobs in October.¹¹

Retail and Services¹²¹³

Along the Gulf Coast, two-thirds of retailers shut down for an average of four days and had reduced sales for about ten days after the storm. Sales have since boosted at those that reopened; however, many businesses have not reopened. Despite the storm's effects on local businesses, spending on services saw revenue increases throughout the end of 2017.

Oil

The Gulf Coast region is home to over half of the United States' refinery capacity, with Texas representing 31% of total capacity.¹⁴ Hurricane Harvey damaged many Texas oil refineries as it made landfall, reducing crude oil production in September and knocking out an estimated 25% of U.S. oil production during the storm.¹⁵ Refineries near Port Arthur and Beaumont were hit particularly hard, and were expected to take longer to recover than oil producers in less-impacted areas, such as Corpus Christi.¹⁶ For example, the Motiva refinery in Port Arthur was shut down for two weeks due to storm damage and flooding, returning to 40% output in early September and requiring several additional weeks to regain production capacity.¹⁷

Manufacturing

In hitting major oil and chemical manufacturing regions, Hurricane Harvey had significant impacts on Texas's manufacturing sector. Many plants flooded and experienced extensive damages, with one Houston chemical plant repeatedly catching fire and raising alarm among manufacturers in the Gulf Coast region.¹⁸ Temporary plant closures and property damages disrupted supply schedules and distorted prices, causing uncertainty and revenue losses. A survey by the Institute of Supply Management found that the majority of supply managers believe that input materials prices and supplier deliveries would be

¹¹ Casselman, B. (2017, November 03). The U.S. Added 261,000 Jobs in October; Here's the Upshot. *The New York Times*. <https://www.nytimes.com/2017/11/03/business/economy/jobs-report.html>

¹² Zehr, D.

¹³ Butters, J., & Saraiva, C. (2017, November 07). Hurricanes Blow Through U.S. Economy: Cars, Drugs, Phones, Food. *Bloomberg*. <https://www.bloomberg.com/news/articles/2017-11-07/hurricanes-blow-through-u-s-economy-cars-drugs-phones-food>

¹⁴ U.S. Energy Information Administration - EIA - Independent Statistics and Analysis. (2017). <https://www.eia.gov/todayinenergy/detail.php?id=33492>

¹⁵ Summers, J., & Powell, B. J. (2017, September 18). Far From the Texas Coast, Hurricane Harvey Hits Oil Refiners. *Bloomberg*. <https://www.bloomberg.com/news/articles/2017-09-18/far-from-the-texas-coast-hurricane-harvey-hits-oil-refiners-j7qrx1p8>

¹⁶ Tortoise Investments (2017, September 11). The Impact Of Hurricanes Harvey And Irma On Energy Operations. *Forbes*. <https://www.forbes.com/sites/tortoiseinvest/2017/09/11/hurricanes-harvey-and-irmas-impact-on-energy-operations/#2e8ebd9b341f>

¹⁷ Seba, E. (2017, September 11). Largest U.S. refinery restarts production after Harvey. *Reuters*. <https://www.reuters.com/article/us-storm-harvey-motiva-portarthur/largest-u-s-refinery-restarts-production-after-harvey-sources-idUSKCN1BM1ND>

¹⁸ The New York Times (2017, September 01). Harvey Updates: Fire and Smoke Again Engulf Chemical Plant Near Houston. <https://www.nytimes.com/2017/09/01/us/harvey-texas-flooding.html>

negatively impacted by Hurricane Harvey through the end of 2017.¹⁹ However, the manufacturing sector saw gains throughout October as factory activity surged to a 13-year high during the post-storm recovery.²⁰

Real Estate²¹

Seventy Texas counties experienced flood damage, and an estimated 70% of affected houses were uninsured. Many of the uninsured homes that were damaged or destroyed provided affordable workforce housing that cannot be rebuilt economically. Several insurers were hit hard, with Berkshire Hathaway losing about \$2 billion.

Auto²²

Up to one million vehicles were damaged in the storm, spurring about 600,000 in sales and high demand in September. Many individual dealers lost business during the storms and faced property damages that were not always covered by insurance.

Tourism and Hospitality²³

A number of coastal cities in Texas that rely heavily on tourism were significantly impacted by Hurricane Harvey. In Aransas Pass, 97% of tourism-based businesses reported negative impacts. Additionally, 95% of businesses in Port Aransas and 275 businesses in Portland – which both have tourism-based economies – were affected by the storm.

Overall, restaurant and hotel workers saw the biggest employment impacts. The hospitality industry experienced a net loss of 102,000 jobs in September 2017 due to the joint impacts of Harvey and Irma.²⁴ While not as severe as Hurricane Irma's impact on Florida hotels, Harvey harmed Texas hospitality markets in the storm's path. Hotel submarkets in Houston experienced declines in occupancy rates, while Galveston saw the largest decreases in its 7,000-room market, down to 42.1% of normal revenues.²⁵

¹⁹ Banker, S. (2017, September 07). ISM Analyzes The Future Supply Chain Impacts From Hurricane Harvey. *Forbes*. <https://www.forbes.com/sites/stevebanker/2017/09/07/ism-analyses-the-future-supply-chain-impacts-from-hurricane-harvey/#2aac3255c592>

²⁰ Mutikani, L. (2017, October 02). Hurricanes Harvey, Irma lift U.S. factory activity index to 13-year high. *Reuters*. <https://www.reuters.com/article/us-usa-economy-construction/hurricanes-harvey-irma-lift-u-s-factory-activity-index-to-13-year-high-idUSKCN1C71RJ>

²¹ Butters, J., & Saraiva, C.

²² Butters, J., & Saraiva, C.

²³ Acosta, T. (2017, November 14). For tourism towns like Rockport and Port Aransas, hotels key to Hurricane Harvey recovery. *Caller Times*. <http://www.caller.com/story/news/local/2017/11/14/tourism-towns-like-rockport-and-port-aransas-hotels-key-hurricane-harvey-recovery/863981001/>

²⁴ Casselman, B.

²⁵ Hoisington, A. (2017, September 12). Analysis reveals Hurricane Harvey's impact on hotel markets. *Hotel Management*. <https://www.hotelmanagement.net/own/data-analysis-hurricane-harvey-impact-hotel-markets>

However, the leisure and hospitality industry saw growth through fall, regaining 106,000 jobs as employers recovered from the storm.²⁶

IEDC Volunteer Program

IEDC has deployed economic recovery volunteers in disaster-impacted regions since Hurricane Katrina struck the Gulf Coast in 2005. In the wake of hurricanes Harvey and Irma, offers of volunteer assistance have poured in from the IEDC membership. With funding from the U.S. Economic Development Administration, IEDC is deploying these volunteers to assist with economic recovery efforts in impacted regions in Texas, Florida, Puerto Rico, and the Virgin Islands.

Participants in the Economic Recovery Volunteer Program are IEDC members in senior-level and executive economic development positions, many of whom have hands-on disaster recovery experience and capacity. Working with a local government or economic development organization to identify specific economic recovery needs, IEDC drafts a scope of work and recruits an IEDC volunteer with the relevant skills and experience.

Volunteers spend up to 40 hours a week in communities, in addition to time spent off-site preparing for the project and reporting afterward. They are able to help with such activities as business assessments, action planning, lending and business retention advice, and performing other tasks to leverage the efforts of local EDOs that may still be recovering their own operations after the hurricane.

²⁶ Casselman, B.

Priority Areas Identified

In the wake of Hurricane Harvey, 41 counties warranted FEMA disaster declarations (see the map and list on page 6).

These counties all suffered storm-related damages to public facilities, homes, roads or power grids, or a combination of those and more. This report focuses on communities and regions that suffered higher costs for local businesses and local economies, providing less detail on areas that experienced less, or primarily residential, damage. The regions that had the greatest economic damage include Southeast Texas, Houston-Galveston, and Coastal Bend.

Deep East Texas Region: Jasper, Newton, Polk, Sabine, San Jacinto, San Augustine and Tyler Counties designated

The Deep East Texas region is relatively rural, with no major metropolitan areas. San Jacinto is its wealthiest county, while Nacogdoches has the region's largest population earning less than \$15,000 per capita, likely due to its large student population. Deep East Texas is a popular retirement area, with a large fixed-income and unemployed population. Additionally, the region's educational attainment is below the national and state average, and it has a relatively small pool of skilled labor. Two major hurricanes have also caused significant damage to communities in Deep East Texas within the last decade. The primary impact in the region was flooded roads, some flooding of structures, and extensive debris.

San Jacinto County

Main industries: Construction, Manufacturing, Public Administration, Retail trade

San Jacinto County experienced damaged to its waste pits, which the EPA has approved a plan to repair.²⁷ Road closures due to flooding were also reported in the county.

Tyler County²⁸

Main industries: Healthcare services, Manufacturing, Education services, Retail trade

²⁷ Wray, D. (2017, October 20). EPA Approves Plan for Post-Harvey Repairs to San Jacinto Waste Pits. *Houston Press*. <http://www.houstonpress.com/news/epa-signs-off-on-plan-to-repair-san-jacinto-waste-pits-from-hurricane-harvey-damage-9891242>

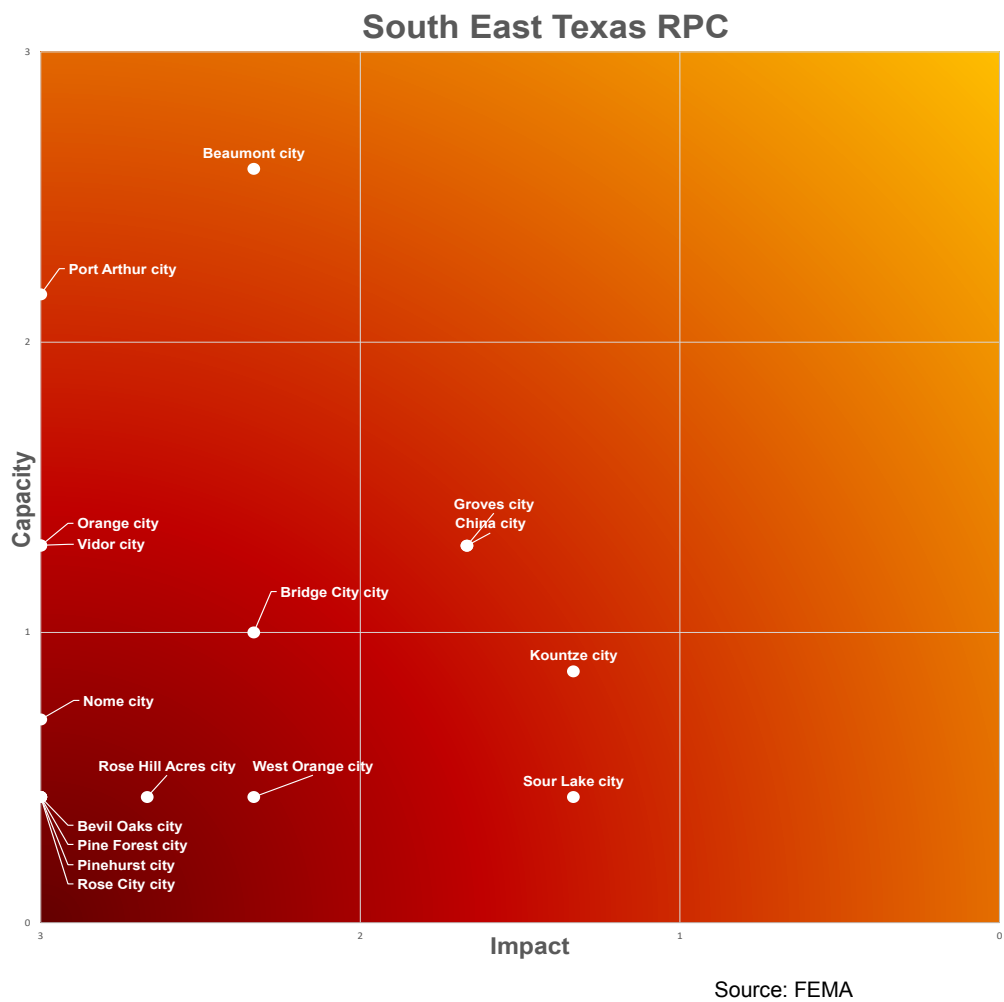
²⁸ KTRE. (2016, April 27). Widespread damage reported in Tyler Co. <http://www.ktre.com/story/31829476/widespread-damage-reported-in-tyler-co>

Tyler County experienced damage to homes from flooding and falling trees, and reported road closures due to flooding.

Southeast Texas Region: Hardin, Jefferson, and Orange Counties designated

Southeast Texas is a major import-export hub, with the ports of Beaumont and Port Arthur serving as centers of international transport. The region is vulnerable to natural disasters, and suffers from an aging workforce and infrastructure weaknesses. However, Southeast Texas has competitive wages, active economic development organizations, and the I-10 corridor – along with the region’s proximity to Houston – all contribute to a positive economic climate.

Figure 4: Impact on Southeast Texas Communities



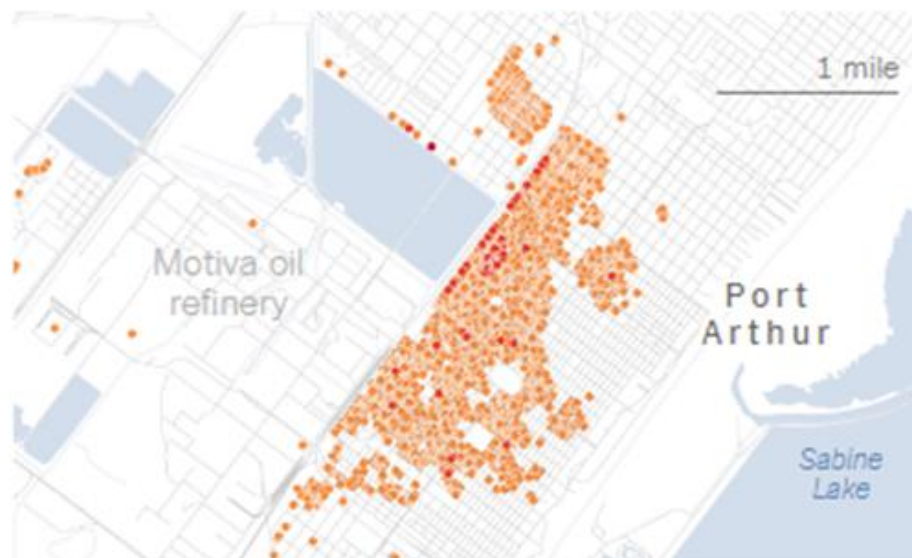
Jefferson County

Main industries: Energy/oil refining, Distribution, Manufacturing, Healthcare services, Retail trade, Construction

Jefferson County's estimated storm costs were over \$2.2 billion, with damage to roads, bridges, water systems, city facilities, and over 15,000 homes.²⁹

The Port Arthur/Beaumont area received more than 47 inches of rain during the storm, resulting in significant flooding and property damage. Three-quarters of Port Arthur flooded;³⁰ water entered one-third of Port Arthur's structures.³¹ In Beaumont, 2,000 homes flooded,³² and approximately 3,000 of the area's residents sought emergency shelter during the storm. Additionally, flooding knocked out up to 25% of the nation's oil-refining capacity; large refineries are situated in the Port Arthur/Beaumont area.³³

Figure 5: Structures Damaged in Port Arthur



Source: The New York Times

²⁹ KBMT. (2017, September 29). Jefferson County estimates cost of Harvey at more than \$2.2B so far in submission to state. 12 News. <http://www.12newsnow.com/weather/harvey/jefferson-county-estimates-cost-of-harvey-at-more-than-22b-so-far-in-submission-to-state/479670239>

³⁰ CBS. (2017, September 02). Harvey floodwaters are receding in Port Arthur, Texas. <https://www.cbsnews.com/news/harvey-floodwaters-start-receding-in-port-arthur-texas/>

³¹ Amadeo, K. (2017, December 14). Hurricane Harvey Shows How Climate Change Can Impact the Economy. *The Balance*. <https://www.thebalance.com/hurricane-harvey-facts-damage-costs-4150087>

³² Lozano, J. A. (2017, October 01). Month after Harvey, debris piles show recovery takes time. *The Chicago Tribune*. <http://www.chicagotribune.com/news/nationworld/ct-hurricane-harvey-texas-recovery-20171001-story.html>

³³ Summers, J., & Powell, B. J.

Hardin County

Main industries: Healthcare services, Manufacturing, Education services, Retail trade, Construction

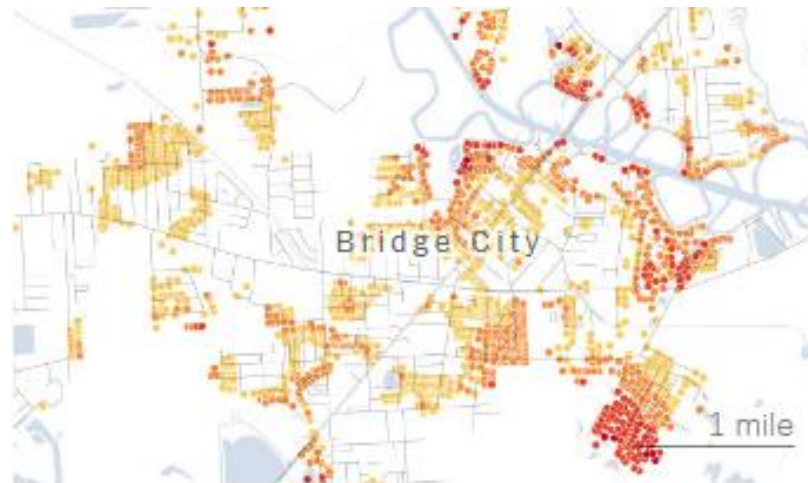
Receiving 15 inches of rain, Hardin County experienced flooding and road closures.³⁴ Hardin was still removing debris through mid-November.³⁵

Orange County

Main industries: Healthcare services, Manufacturing, Education services, Retail trade, Construction

Orange County experienced widespread flooding, with much damage to local businesses.³⁶ Bridge City experienced extensive flooding after receiving 20 inches of rain.³⁷

Figure 6: Structures Damaged in Bridge City



Source: The New York Times

³⁴ Oliveaux, D. (2017, August 30). Harvey slams Hardin County. *Silsbee Bee*.

<https://www.silsbeebee.com/articles/2017/08/30/harvey-slams-hardin-county>

³⁵ Chandler, K. (2017, November 6). Hardin County issues post-Harvey debris update. *Beaumont Enterprise*.

<http://www.beaumontenterprise.com/news/article/Hardin-County-OEM-issues-post-Harvey-debris-update-12335158.php>

³⁶ Hamtil, M., & Jacobsohn, A. (2017, August 27). Photos: Dramatic images from Hurricane Harvey's aftermath in Southeast Texas. *Dallas News*. <https://www.dallasnews.com/news/photos/2017/08/27/photos-biblical-flooding-innundates-southeast-texas>

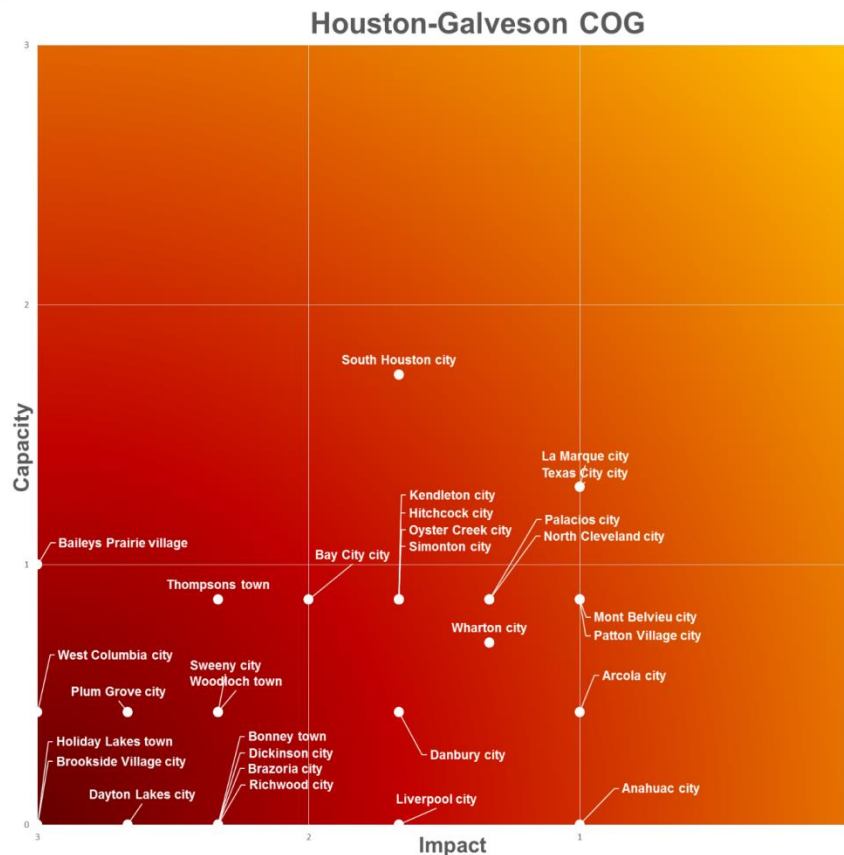
³⁷ Carlsen, A., & Rebecca, K. K.

Houston-Galveston Area: Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Harris, Liberty, Matagorda, Montgomery, Walker, Waller, and Wharton counties designated

Economically distressed areas: Walker, Liberty, Matagorda, Wharton

The Houston-Galveston region has high rates of individuals in poverty while working, although the region's 15% poverty rate is slightly lower than the Texas average of 17%. The region's educational attainment is relatively low, with 80% of the population achieving high school diplomas or higher. These factors, along with long commute times and limited internet and technological access, contribute to economic distress in several of the region's communities. However, industrial diversity, housing affordability, high business growth, and effective infrastructure all generate positive economic effects.

Figure 7: Impacts on Houston-Galveston Communities



Source: FEMA

Brazoria County

Main industries: Petrochemicals, Manufacturing, Agriculture and fishing, Construction, Retail, Services, Tourism

Brazoria faced county-wide mandatory evacuations and flooding.³⁸ Harvey damaged 8,512 structures, and destroyed 60.³⁹

Chambers County

Main industries: Manufacturing, Construction, Education services, Healthcare services

Chambers County faced extensive flooding and damage to homes and businesses. Residents of the county were made eligible for Disaster SNAP assistance in the aftermath of the storm.⁴⁰

Fort Bend County⁴¹

Main industries: Healthcare services, Manufacturing, Education services, Retail trade, Professional and Tech Services

Over 22% of the county was flooded at the storm's peak. Harvey damaged 8,529 structures and destroyed 54.⁴²

Galveston County

Main industries: Healthcare services, Manufacturing, Construction, Retail trade, Educational services

The storm damaged 22,681 structures, and destroyed 1,789 throughout Galveston County.⁴³ In the city of Dickinson, over 7,000 homes and 88 businesses were damaged when 90% of the community flooded.⁴⁴

³⁸ Garcia, A. (2017, August 31). Small Brazoria County town bracing for more flooding on top of Harvey damage. KSAT. <https://www.ksat.com/news/texas/small-brazoria-county-town-bracing-for-more-flooding-on-top-of-harveys-heavy-rain>

³⁹ ABC 13. (2017, September 25). Harvey destroyed more than 15,500 homes in Texas. <http://abc13.com/harvey-destroyed-more-than-15500-homes-in-texas/2454379/>

⁴⁰ KBMT. (2017, September 25). Hardin and Chambers County residents begin to apply for 'D-SNAP' temporary food benefits. <http://www.12newsnow.com/weather/harvey/hardin-and-chambers-county-residents-begin-to-apply-for-d-snap-temporary-food-benefits/477692442>

⁴¹ Hennes, R. (2017, September 13). Judge: Harvey aftermath will persist for weeks in Fort Bend Co. ABC 13. <http://abc13.com/judge-harvey-aftermath-will-persist-for-weeks-in-fort-bend-co/2410221/>

⁴² ABC 13

⁴³ ABC 13

⁴⁴ Fischer, C. (2017, September 25). Long road to recovery for Dickinson after Harvey. ABC 13. <http://abc13.com/long-road-to-recovery-for-dickinson-after-harvey/2428354/>

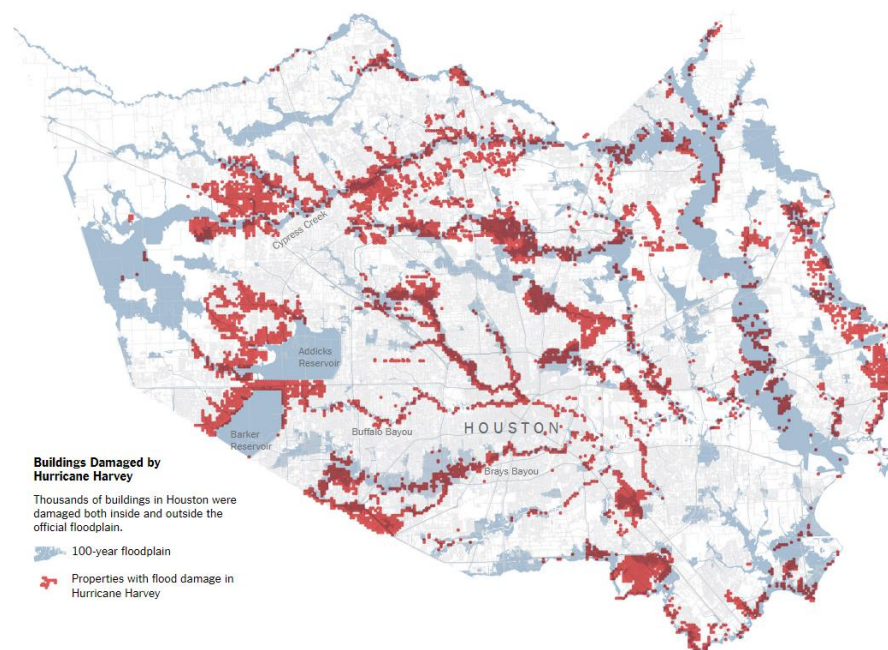
Harris County

Main industries: Healthcare services, Manufacturing, Construction, Retail trade

Harris reported 18 inches of rain in over 70% of the county.⁴⁵ Over 150,000 homes were damaged by the storm in Harris County.⁴⁶ Houston experienced extensive flooding after Harvey dumped over a foot and a half of rain over Harris County, with disparate impacts to lower income and minority communities.

A study on local economic impacts⁴⁷ revealed that despite damage, on the whole small business revenues in Houston bounced back relatively quickly. During the hurricane, revenue decreased, with retail, entertainment, and healthcare industries seeing revenues at only 7-13% of typical daily profits. The lodging industry, on the other hand, did not see such significant declines, most likely due to displaced individuals and families seeking shelter. However, by the week after the hurricane, most small businesses had returned to 80-100% of normal daily earnings. This suggests that Harvey's impact on small businesses has mostly been property damage, rather than revenue declines.

Figure 8: Structures Damaged in Houston



Source: The New York Times

⁴⁵ Amadeo, K.

⁴⁶ Dallas News (2017, August 24). Live updates of Harvey's destruction in Houston, across Texas.

<https://interactives.dallasnews.com/2017/hurricane-harvey-live-coverage/>

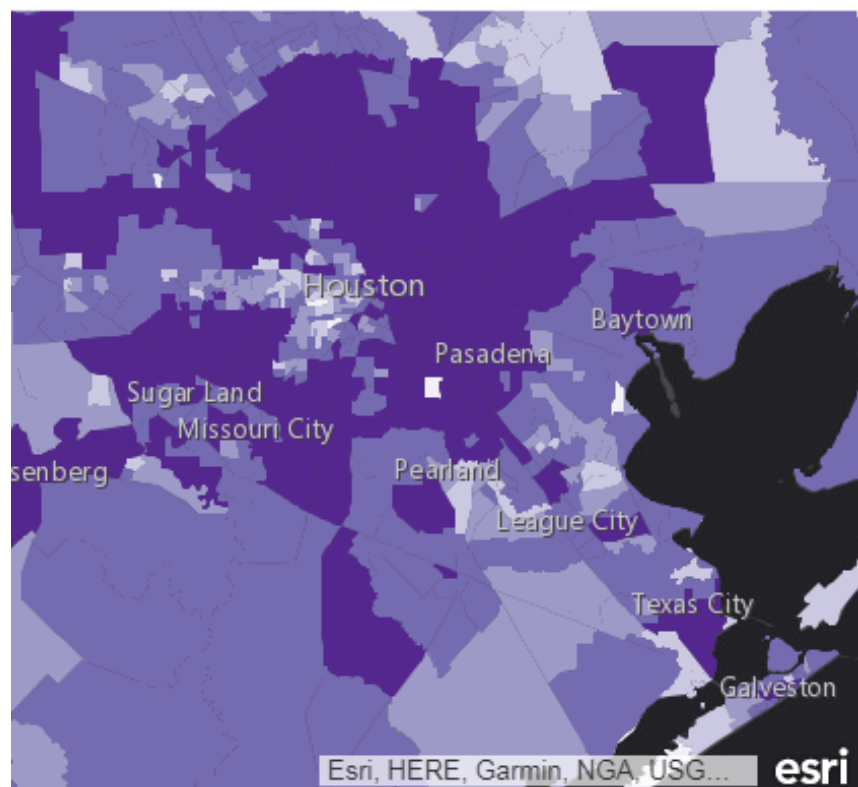
⁴⁷ Womply (2017, September 21). Here's what payment data reveals about Hurricane Harvey's impact on local businesses.

<http://www.womply.com/blog-posts/data-hurricane-harvey-impact>

Examples of these types of impacts include:⁴⁸

- Three Brothers Bakery in Houston faced an estimated \$1 million in damages and lost revenue after Hurricane Harvey due to equipment losses, product damage, and property damage. This is the fifth time the bakery has been severely impacted by a storm.
- Another Houston business, Wholesale Cleaners, lost an estimated \$10,000 from flooding damage to carpets and computers.

Figure 9: Low Income Concentrations in Houston



Source: ESRI

Liberty County⁴⁹

Main industries: Manufacturing, Construction, Healthcare services, Education services, Retail trade

⁴⁸ Wiseman, P., & Melley, B. (2017, September 06). Houston's small businesses struggle to reopen after Harvey. *The Christian Science Monitor*. <https://www.csmonitor.com/USA/2017/0906/Houston-s-small-businesses-struggle-to-reopen-after-Harvey>

⁴⁹ Harden, J. D. (2017, September 21). City of Liberty claims new unofficial Harvey rainfall record: 55 inches. *The Houston Chronicle*. <http://www.chron.com/news/houston-texas/houston/article/City-of-Liberty-claims-new-unofficial-Harvey-12218068.php>

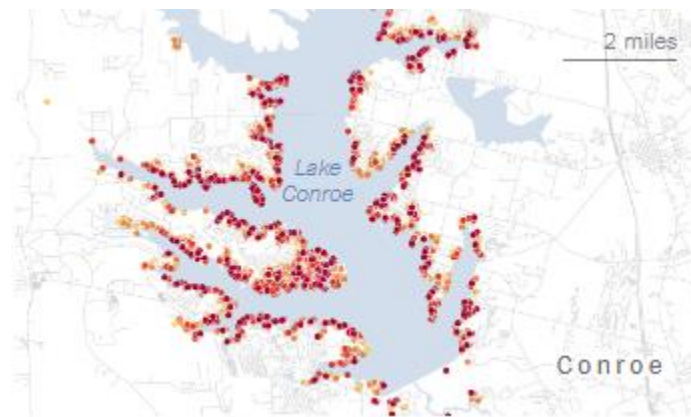
Liberty County received an estimated 55 inches of rain, causing significant flooding. Harvey damaged 6,910 structures and destroyed 125.⁵⁰

Montgomery County

Main industries: Healthcare services, Manufacturing, Education services, Retail trade

The Lake Conroe area experienced significant flooding after receiving 30 inches of rain.⁵¹ Hundreds of homes and businesses were impacted, and five deaths were reported in Montgomery County.⁵² The storm damaged 1,160 structures, and destroyed 100 throughout the county.⁵³ Conroe Community Development estimates the total damages in the city of Conroe at \$30.7 million.⁵⁴

Figure 10: Structures Damaged Near Lake Conroe



Source: The New York Times

Conroe's wastewater treatment plant and police department training facility suffered extensive flood damage, and repair costs could exceed \$10 million per facility.⁵⁵

Matagorda County

Main industries: Retail trade, Utilities, Educational services, Healthcare services

⁵⁰ ABC 13

⁵¹ Carlsen, A., & Rebecca, K. K.

⁵² Mendoza, J. (2017, September 20). Conroe homes, businesses rebuild after Hurricane Harvey. *Community Impact Newspaper*. <https://communityimpact.com/houston/conroe-montgomery/city-blue/2017/09/23/conroe-homes-businesses-rebuild-hurricane-harvey/>

⁵³ ABC 13

⁵⁴ Mendoza, J.

⁵⁵ Mendoza, J.

Matagorda County faced mandatory evacuation orders during the storm, and experienced county-wide power outages,⁵⁶ although flooding was not as severe as projected.⁵⁷ However, the storm did damage some agricultural production in Matagorda, with cotton crops destroyed before harvest could be completed (35% of cotton crops had not been harvested).⁵⁸

Wharton County

Main industries: Healthcare services, Manufacturing, Construction, Retail trade, Educational services

The storm damaged 1,803 structures and destroyed 112.⁵⁹ Wharton faced flooding after the Colorado River rose by nearly 11 feet, with most damage occurring in the county's eastern half.⁶⁰ An estimated 1,300 of the 3,200 homes in the city of Wharton were damaged by the storm.⁶¹

Coastal Bend: Aransas, Bee, Kleberg, Nueces, Refugio, and San Patricio Counties designated

⁵⁶ KHOU. (2017, August 26). MATAGORDA COUNTY: Residents not allowed to return due to power outage. <http://www.khou.com/weather/hurricanes/hurricane-harvey/matagorda-co-residents-will-not-be-allowed-to-return-due-to-power-outage/467674782>

⁵⁷ Reddell, M. (2017, August 31). "Harvey disrupted lives, damaged property" by: Mike Reddell. *Bay City Sentinel*. <https://www.baycitysentinel.com/articles/2017/08/31/harvey-disrupted-lives-damaged-property-mike-reddell>

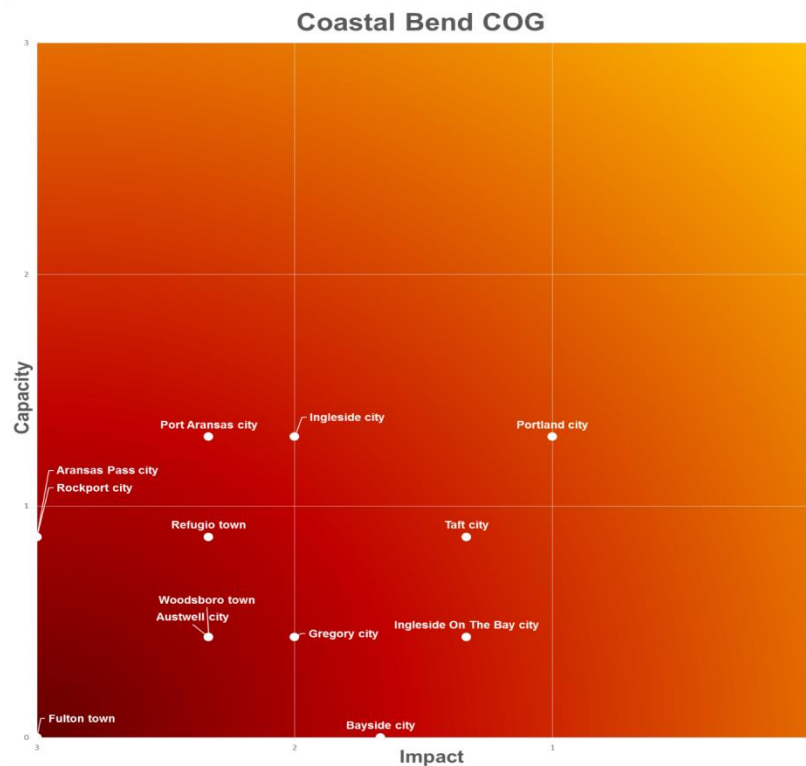
⁵⁸ Malewitz, J. (2017, August 30). Harvey's winds and rain disrupt Texas agriculture. *The Texas Tribune*. <https://www.texastribune.org/2017/08/30/harveys-winds-and-rain-disrupt-texas-agriculture/>

⁵⁹ ABC 13

⁶⁰ Foxhall, E. (2017, September 14). Residents of flood-ravaged Wharton County feel forgotten in Harvey's wake. *The Houston Chronicle*. <http://www.houstonchronicle.com/news/houston-texas/texas/article/Residents-of-flood-ravaged-Wharton-County-feel-12199385.php>

⁶¹ Foxhall, E.

Figure 11: Impacts on Coastal Bend Communities



Source: FEMA

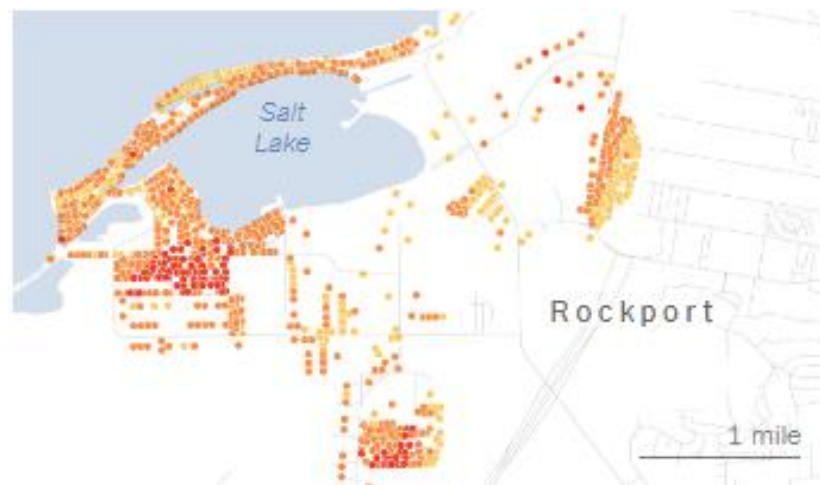
Aransas County

Main industries: Retail, Services, Tourism, Educational services

Over 1,500 structures in Rockport were damaged by Hurricane Harvey, and portions of the city were destroyed. Rockport went without electricity for days after the storm, the effects of which were felt significantly by the approximately 60% of residents who did not evacuate. Many businesses were damaged and remained closed for weeks or longer. Debris removal was significant.⁶²

⁶² Savidge, M. (2017, August 28). Battered Texas town may be without power for weeks. CNN. <http://www.cnn.com/2017/08/28/us/rockport-texas-hurricane-harvey-damage/index.html>

Figure 12: Structures Damaged in Rockport



Source: The New York Times

Nueces County

Main industries: Retail, Services, Tourism, Fishing

Harvey significantly impacted most of the structures and businesses in the Port Aransas/ Aransas Pass area. 90% of businesses in Port Aransas were damaged,⁶³ and 35% of the city's buildings were destroyed.⁶⁴ Additionally, a beachside trailer park was completely lost, and the area's roadways were blocked by extensive debris. In Aransas Pass, 97% of surveyed businesses in the tourism industry reported negative impacts from the storm.⁶⁵

Examples of Local Impacts⁶⁶

- Local inn Laughing Horse Lodge suffered damage to the roofs and exteriors of its 13 cottages. The owner does not expect to be able to start construction for 9-12 months, with rebuilding costs of several million dollars.
- Coastal Ed's, a local golf cart rental company, experienced flooding and damage to its golf cart inventory. Each cart must be replaced at over \$10,000 each, and the owner must find a new storefront.

⁶³ Chang, J. (2017, October 13). After Hurricane Harvey, Port Aransas faces long road to recovery. *myStatesman*. <http://www.mystatesman.com/news/state--regional-govt--politics/after-hurricane-harvey-port-aransas-faces-long-road-recovery/e1bVIKUCEg4ce3WLEFazKJ/>

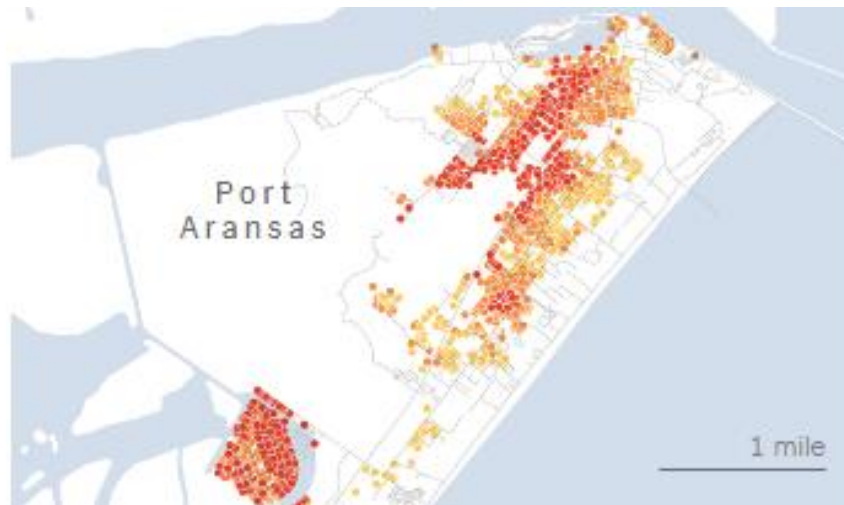
⁶⁴ Carlsen, A., & Rebecca, K. K.

⁶⁵ Pohl, J. (2017, August 27). Harvey 2017: Aransas Pass residents awaken to 'total devastation'. *CallerTimes*. <http://www.caller.com/story/weather/hurricanes/2017/08/27/harvey-2017-aransas-pass-residents-awaken-total-devastation/605881001/>

⁶⁶ Chang, J.

- Irie's Island Food restaurant was able to reopen after the building flooded. The owner estimated repairs at \$20,000 and loss of revenue at \$60,000.
- The front of Moby Dick's restaurant in Port Aransas was destroyed, with damage to the back and interior as well. The owner estimated \$2 million in operating and property losses.⁶⁷

Figure 13: Structures Damaged in Port Aransas



Source: The New York Times

Refugio County⁶⁸

Main industries: Mining/Quarrying/Oil and Gas Extraction, Healthcare services, Manufacturing, Construction, Retail trade

Refugio County faced hurricane winds over 130 mph. Nearly every structure in the city of Refugio was damaged, and most of the county lost power and water services.

San Patricio County

Main industries: Educational services, Mining/Quarrying/Oil and Gas Extraction, Healthcare services, Manufacturing, Construction, Accommodation and Food Service

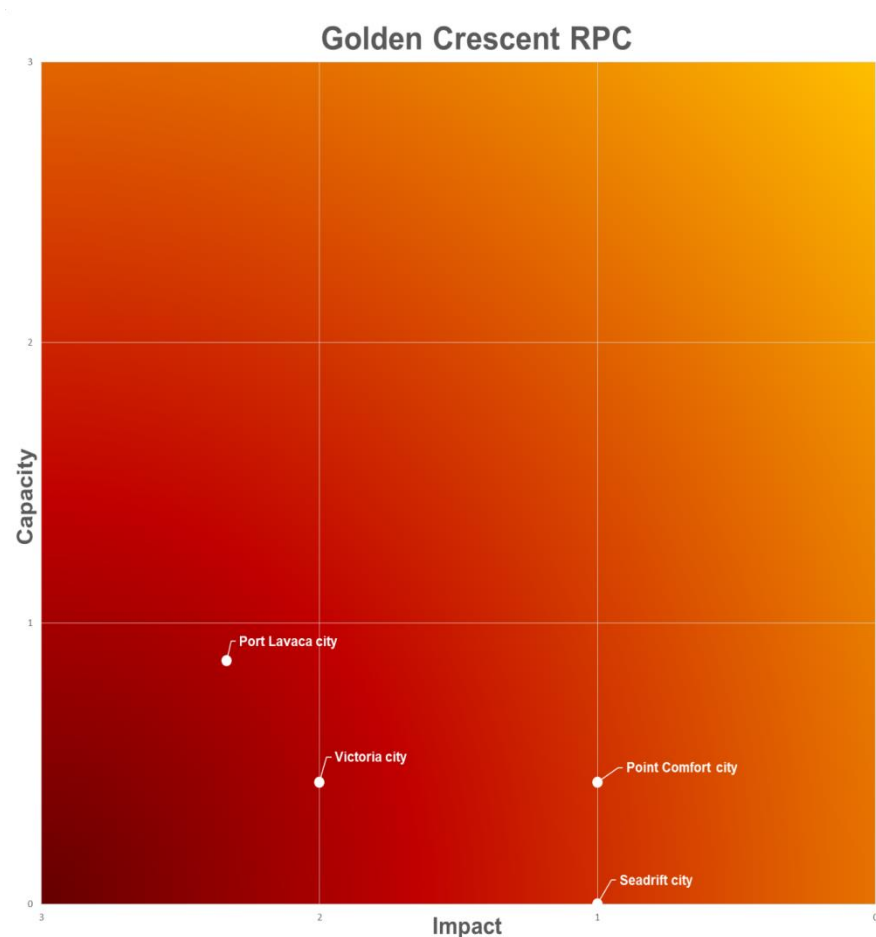
Parts of San Patricio lost power during the storm. Farmers in the area also lost a significant portion of cotton crops.⁶⁹

⁶⁷ Simon, S. B. (2017, September 05). What Hurricane Harvey left in its wake. CNN. <http://www.cnn.com/2017/09/04/us/hurricane-harvey-from-corpus-christi-to-houston/index.html>

⁶⁸ Chang, J.

Golden Crescent Region: Calhoun, DeWitt, Goliad, Gonzales, Jackson, Lavaca, and Victoria County designated

Figure 14: Impacts on Golden Crescent Communities



Source: FEMA

Calhoun County⁷⁰

Main industries: Manufacturing, Construction, Educational services, Healthcare services, Retail trade

⁶⁹ Bloomberg. (2017, August 28). Texas Farmers Assess Harvey Damage to Grain Bins, Cotton Crops. AG Web. <https://www.agweb.com/article/texas-farmers-assess-harvey-damage-to-grain-bins-cotton-crops-blmg/>

⁷⁰ Overton, M. (2017, August 27). Calhoun County weathers Hurricane Harvey. *The Port Lavaca Wave*. http://www.portlavacawave.com/news/around_town/calhoun-county-weathers-hurricane-harvey/article_daf1523c-8b62-11e7-bbbb-e72cbc4c76c9.html

Calhoun County residents were ordered to evacuate during the storm. Power, sanitation, and water services were shut down for days after the hurricane.

DeWitt County

Main industries: Mining/Quarrying/Oil and Gas Extraction, Healthcare services, Manufacturing

DeWitt County faced flooding from the Guadalupe River.

Goliad County⁷¹

Main industries: Mining/Quarrying/Oil and Gas Extraction, Healthcare services, Manufacturing, Retail trade, Educational services

Goliad experienced 11 inches of rain and winds over 100 mph. Several areas experienced power outages.

Gonzales County⁷²

Main industries: Manufacturing, Agriculture, Healthcare services, Retail trade

Portions of Gonzales County received over 20 inches of rain.

Jackson County⁷³

Main industries: Manufacturing, Construction, Educational services, Healthcare services, Mining/Quarrying/Oil and Gas Extraction

Jackson County was placed under mandatory evacuation, and residents faced mass power outages in the wake of the storm.

Victoria County

Main industries: Manufacturing, Educational services, Healthcare services, Retail trade

⁷¹ Gerber, T. (2017, August 28). Goliad in post Harvey recovery mode. KSAT. <https://www.ksat.com/news/goliad-in-post-harvey-recovery-mode>

⁷² US Department of Commerce, NOAA, National Weather Service. (2017, October 11). Hurricane Harvey 2017 - Impacts to South Central Texas. <https://www.weather.gov/ewx/wxevent-2017harvey>

⁷³ Cargo, K. (2017, August 26). Jackson County officials lift mandatory evacuation . *The Victoria Advocate*. <https://www.victoriaadvocate.com/news/2017/aug/26/jackson-county-eoc-update/>

Due to flooding from the Guadalupe River, Victoria County experienced significant housing damage, with 88 multi-unit housing structures and 174 apartments impacted.⁷⁴ As a result, 5,165 Victoria County households were approved for the FEMA Individuals and Households program. Victoria's weather station and the Texas Zoo were also damaged by the storm.⁷⁵

Figure 15: Structures Damaged in Victoria



Source: The New York Times

Capital Area Region: Bastrop, Caldwell, and Fayette Counties designated

Bastrop County⁷⁶

Main industries: Construction, Retail trade, Manufacturing, Educational services, Healthcare services

Cities in Bastrop County received 18-29 inches of rain during the storm, causing flooding from the Colorado River. According to county officials, Hurricane Harvey caused \$3.2 million in damage to public infrastructure in the county.

Caldwell County

Main industries: Healthcare services, Retail trade, Construction, Educational services, Manufacturing

Caldwell County experienced flooding from the San Marcos River.

⁷⁴ The Victoria Advocate (2017, September 19). Red Cross Releases Harvey Damage Assessment to VOAD Group. *Emergency Management*. <http://www.govtech.com/em/disaster/Red-Cross-Releases-Damage-Assessment-to-VOAD-Group.html>

⁷⁵ Carlsen, A., & Rebecca, K. K

⁷⁶ Huber, M. (2017, October 11). Damage from Hurricane Harvey in Bastrop County tops \$3 million. *Statesman*. <http://www.statesman.com/news/local/damage-from-hurricane-harvey-bastrop-county-tops-million/7Ls0gKzJ5sZ8jNVUQj8jZJ/>

Fayette County⁷⁷

Main industries: Manufacturing, Construction, Educational services, Healthcare services, Retail trade

Over 500 homes were damaged or destroyed by flooding in Fayette County, mainly in the town of La Grange. Some portions of Fayette County received over 20 inches of rain.

Alamo Area Region: Karnes County designated

Karnes County⁷⁸

Main industries: Agriculture, Oil and gas production

Harvey left 3-10 inches of rain in Karnes County and wind gusts above 50 miles an hour. Power outages, downed trees and power lines, and minor flooding were reported.

Brazos Valley Region: Grimes County designated

Grimes County⁷⁹

Main industries: Manufacturing, Retail trade, Healthcare services

Up to 20 inches of rain fell in parts of Grimes County, causing flooding of roads and homes.

⁷⁷ Koski, R. (2017, August 31). La Grange: Help needed to sustain Harvey recovery. Fox 7. <http://www.fox7austin.com/news/local-news/la-grange-help-needed-to-sustain-harvey-recovery>

⁷⁸ McCracken, Mike. (2017, Sept. 2). Hurricane Harvey – oh so close. The Karnes Countywide. https://www.mysoutex.com/karnes-countywide/news/hurricane-harvey--oh-so-close/article_85bc0008-8ea7-11e7-bb49-87584ec156bb.html

⁷⁹ https://www.theeagle.com/news/local/rescues-underway-in-grimes-county-another-round-of-storms-expected/article_ed47fab4-8b38-11e7-a8cc-5749c2484aa5.html



SourceLink + SURE
Confidential Conference Call Notes
Wednesday, November 28, 2018

SourceLink Team

Dara Macan, Business Development Director
Sarah Mote, Marketing Director
Rob Williams, Director
Maria Meyers, Founder and Executive Director

SURE Program Team

Dr. Khumawala, Founding Director
Charles Dain Becker, Assistant Director

- Start by sketching out a business plan that includes marketing, pricing/financials, packaging, staff, competitive environment (look at others doing similar work to see if and what they are charging). We discussed two general approaches:
 - Approach 1: Build your plan then fundraise for a couple of years of runway (JPMC, EDA, others)
 - Approach 2: Bootstrap like a startup (lots of late night / weekend work, secure a few pilot affiliates and build up capital / refine model from there)
- Our University of Missouri System has "Collected Rules" that guide the four campuses and dictate things like copyright, intellectual property, etc –connect with your technology transfer office to discuss what you would like to do and get very familiar with your University requirements.
- Build a legal agreement template as best you can with your University tech transfer office; know that it will get better with each new client you enter negotiations with; legal negotiations with our clients can take months; think about making agreements multiyear commitments.
- Your packaging needs to be decided. Are you going to be distributed train the trainer program, or provide the model yourself in each community? SourceLink decided to go the train the trainer route with required local affiliate hosts to do the work. We support our affiliates with expert consulting, technology, and our peer network.
- Research similar programs for pricing / target market / approach / model | Find others by attending conferences from organizations listed on the last page. Some to start with:
 - NxLevel (curriculum + train the trainer) <https://www.nxlevel.org/>
 - FastTrac (curriculum + online platform) <https://www.fasttrac.org/>
 - Growth Wheel (certification + train the trainer + platform) <https://www.growthwheel.com/>
 - Co.Starters (9-wk cohort program + train the trainer) <https://costarters.co/offerings/>
 - Economic Gardening (national EG team does 1:1 work with local entrep) <https://edwardlowe.org/entrepreneurship-programs/economic-gardening/>

- We have built excellent relationships with key individuals in each University department critical for our operations (legal, human resources, procurement). These relationships allow us to get things done quickly, so that we can move at the speed of business that our clients expect.
- Relationships are key for strategic partners and on the sales side too. As Maria pointed out, “people buy from people they know/have a relationship with”. Get in front and personally build relationships with funders like EDA, Kauffman, JPMorgan, etc. Go to where these folks are (see the list of orgs at the end).
- SourceLink has its own budget account (money center) within the University architecture. This allows us to track expenses and revenue for decision making.
- Be aware that the University may take F&A (facilities and administrative) fee. For us this runs 36% and is an overhead charge applied to incoming revenue. Our license agreements help us with this; it is something to research and be aware of.
- Operating under a University umbrella provides us with benefits like: advantage when selling to other Universities; University employee benefits help attract workforce; we can cashflow even when we may have late or delayed payments; ability to go after nonprofit only grants.
- Operating under a University umbrella does have challenges, mostly around HR: we’ve been subject to Univ hiring freezes even though we are self-funded; benefits are really great but salaries are not comp to private sector.
- When going after funding, try to bring some partners along with you. It is harder for a funder to turn down a community versus one organization. Be aware of funding cycles and make requests early in the fiscal year (e.g. some EDA funds are first-come first-served). Important to diversify funding sources; SourceLink has private sector/corporate, state, federal, foundations.
- Do not undervalue or underprice services- think like an entrepreneur if you want to build a sustainable model. Whatever you decide for your estimated hours and effort for your pricing, make sure to add your F&A and double digit percent return on top of that.
- MEASURE AND TRACK EVERYTHING! We value this tenant so much that we’ve developed an entire online software system to help us (and our affiliates!) collect on and report their impact. <https://www.youtube.com/watch?v=j99OisFkxbk>

Key Organizations

U.S. Department of Commerce, Economic Development Administration

<https://www.eda.gov/>

They have a technical assistance and/or planning grants which can be used for business planning purposes. Your regional contact:

Robert Peche, Austin Regional Office
903 San Jacinto, Suite 206 Austin, TX 78701
P: 512-568-7732 | E: rpeche1@eda.gov

Kauffman Foundation

<https://www.kauffman.org/>

Go to where Kauffman Foundation staff are to get in front of them. Best upcoming opportunity to do this may be with the ESHIP Summit. Sign up to be notified of the 2019 details here:

<https://www.kauffman.org/the-eship-summit/overview>

United States Association for Small Business and Entrepreneurship (USASBE)

<https://www.usasbe.org/>

This is the best audience of all orgs listed here for other Universities interested in entrepreneurship. January is their next meeting <https://www.usasbe.org/page/2019ConferenceHome>

University Economic Development Association (UEDA)

<http://universityeda.org/>

They have Awards of Excellence, which might give you some visibility within their membership.

National Association for Community College Entrepreneurship

<https://www.nacce.com/>

NACCE is a member organization of over 300 community colleges representing presidents, educators, administrators and center directors focused on igniting entrepreneurship in their community and on their campus.

Global Consortium of Entrepreneurship Centers (GCEC)

<http://www.globalentrepreneurshipconsortium.org>

The GCEC current membership totals 225+ university-based entrepreneurship centers ranging in age from well-established and nationally ranked to new and emerging centers. Each year a global conference is held on the campus of an GCEC member school.

International Economic Development Council

<https://www.iedconline.org/>

The International Economic Development Council (IEDC) is a non-profit, non-partisan membership organization serving economic developers. They are not University / Higher Ed focused and members have limited interest in entrepreneurship.



CITY OF
IVANHOE
TEXAS



... "Land of Lakes"

City of Ivanhoe, Texas

ASSESSMENT AND ACTION PLAN

By: The Veridus Group

with support from the International Economic Development Council

October 2018



VERIDUS
GROUP

Introduction

Since the Fall of 2017, the International Economic Development Council, with the support of the U.S. Economic Development Administration, has coordinated volunteer assistance for economic recovery following Hurricane Harvey. Community leaders from the City of Ivanhoe, Texas have requested help developing a strategic Action Plan for economic development. The Action Plan was facilitated by the consulting firm The Veridus Group and a volunteer Steering Committee helped guide elected officials and community stakeholders toward strategic growth and development. This document takes a look at both assets and challenges to build new strategies for the City of Ivanhoe based on national best practices. The implementation of this Action Plan will lay the foundation for Ivanhoe to fuel the economy for businesses and residents to thrive, ultimately improving regional competitiveness and advancing the region's economic prosperity.

Monday, July 30 through Wednesday, August 1, Courtney Zaugg – Director of Economic Development—of the Veridus Group met with individual local and regional leaders to understand issues the community was tackling, what opportunities and challenges were approaching, and the community's vision for a new future. Additionally, the Veridus Group crafted and distributed an electronic survey to residents and visitors to better understand the community's outlook to growth.

Acknowledgements

- Cathy Bennett, Mayor of City of Ivanhoe
- Ivanhoe City Council:
 - Chuck Vonderlin
 - David Herrington
 - Mark Peterson
 - Rowland Priddy
 - Tommy Morris
- C.D. Woodrome, City of Ivanhoe Secretary
- Ivanhoe Property Owners Improvement Association
- Jacques Blanchette, County Judge
- Lonnie Hunt, Deep East Texas Council of Governments and Economic Development District
- Mandy Risinger, Woodville City Administrator
- Russ Nalley, City of Woodville Mayor
- Glen Conner, Woodville School Superintendent





Overview

The City of Ivanhoe, Texas committed to elevating its economic growth by the development of this Economic Development Action Plan. Competition for growth – both residential and business – is fierce, and Ivanhoe sees the value of formulating a strategic action plan to help existing residents enjoy their community, while also enticing new residents and companies to consider the community. This Action Plan shows that Ivanhoe recognizes the need for continuous improvement to become more efficient, effective, and sustainable. It is also evidence of Ivanhoe's desire to collaborate and develop consensus to make sound fiscal decisions, enhance community image, and – most importantly – show a road map to meet the current and future needs of residents and businesses.

Led by the Steering Committee and community input, the Veridus Group facilitated a structured process that assessed economic and community challenges and opportunities. This evaluation included discussions with City staff and elected officials; review of economic, demographic, and planning analyses; and interviews with community members to define priorities and actions for implementation. Numerous stakeholders participated in engagement sessions, including



residents, business owners, education leaders, community leaders, and economic development professionals. They all stepped forward to provide a ground-level view for the existing conditions in Ivanhoe, but also provided a vision for the future of the City of Ivanhoe. Their engagement and the Steering Committee's work molded this Action Plan so that it includes robust, yet realistic and actionable, strategies to ensure long-term sustainability and economic prosperity for Ivanhoe.

Differentiators and Opportunities

Ivanhoe is different from other towns and cities looking to offer the benefits of rural recreational and resort living for both full-time and 'weekend' residents alike. Its location boasts easy access to Houston and Beaumont, and offers beautiful natural scenery for boating, water sports, fishing, and enjoying the many parks. Pairing its ideal rural location with its natural resources and close-knit community makes Ivanhoe a great destination for those looking to relax for a visit or retire into relaxation.

While retiree attraction has already had a significant impact on Ivanhoe and other rural communities, research shows the trend is likely to greatly increase with the impending retirement of the baby boomer generation. Ivanhoe could positively benefit if policies are put in place now. Some baby boomers have already seized the opportunity to flee the densely-populated urban areas and relocate to rural life, such as in Ivanhoe. Some have already purchased (or will soon purchase) a vacation home that will be converted into a retirement home in 10-15 years.

Furthermore, Ivanhoe has significant opportunities to attract retirees to help offset the economic restructuring that many rural communities have endured over the past several decades. For example, farming, ranching, and forestry have all significantly declined in employment and earnings while urban regional service centers have grown and attracted retail activities away from small rural towns.

In conclusion, Ivanhoe is at a juncture where enacting new policies and initiatives will help improve the current residents' quality of life while attracting new community members to a beautiful resort and retirement community.



Observations of Current Conditions

Challenges: funding, roads, taxes

While driving into the City of Ivanhoe, the charming and quiet retirement community provided a relaxing view and a breath of fresh air from the Houston commute. The very first order of business from Mayor Cathy Bennett and City Secretary C.D. Woodrome was to take a tour of the community, traversing the many roads and seeing the City's assets and challenges. Distinctly, the City's roads are in dire need of imminent repair. Because we work in communities across the globe, we know that the severity of the crumbling infrastructure is comparable to what is experienced in some developing countries. However, the beauty of the community's lakes and parks showcase the assets for which the vision was cast for the resort community.

Additionally, City officials highlighted the work done by community members, mainly volunteers, in collaboration with a few paid staff. The depth and continuation of the work is noteworthy, but concerns arise with the decline of new residents willing and able to pick up volunteer efforts when others have retired. One example is the volunteer code enforcement official who is nearing retirement. Currently, the



City has budgeted funding to hire a paid code enforcement officer for 2018-2020. This transition will be an important one, as there were several sightings and identification of code infringements. Furthermore, Ivanhoe officials have had difficulty tracking down property owners



to address code violations, delinquent taxes, or other issues due to property deed restrictions, lost deeds, or the lack of contact information.

The City of Ivanhoe and the Town of Woodville have closely collaborated on a variety of initiatives. Currently, Ivanhoe residents rely on the retail assets of Woodville to meet the needs of groceries, fuel, restaurant, and some other retail needs. Some heavy industry provides for Woodville's tax base, including a pellet plant and heavy equipment manufacturers. While restrictions on funding prevent both Ivanhoe and Woodville from extensively promoting assets and opportunities for relocation, current efforts are focused on expanding the Woodville airport, potentially positively impacting the region's tourism and talent recruitment. Woodville City Administrator Mandy Risinger and Mayor Russ Nalley discussed increasing collaboration on marketing efforts for the greater region.

During our conversation with the C. Glen Conner, School Superintendent for the Woodville Independent School District covering approximately half of Ivanhoe, it became apparent that the school systems are well-rated, but struggle financially, with over 70% of its student population being economically disadvantaged. Internships with the business community are offered, largely at the region's hospital and healthcare facilities. Certification are generally focused on more broad categories, such as the U.S. Occupational and Safety Health Administration (OHSA). While more teachers are needed to support the student population, recruitment has been difficult due to its rural location and an overall shortage of available teachers throughout Texas.

Regionally, the County has had some success in residents returning to their hometowns to start businesses, such as two businesses focused on information and communication technology and retail companies in downtown Woodville. These entrepreneurs provide a good resource for other start-ups in the region.

Another strong regional tourism asset is the Naskila Casino, bringing nearly 3,000 customers per day, cited by local officials, and could be leveraged for additional retail and hospitality growth. Similarly, interest in the region's forestry assets have increased due to the national film industry site requests and the attractive Big Thicket National Reserve nearby.

Lastly, cited amongst several interviewees in the region, childcare facilities are needed to meet both current demand and for the attraction of future residents and workers to the greater region.



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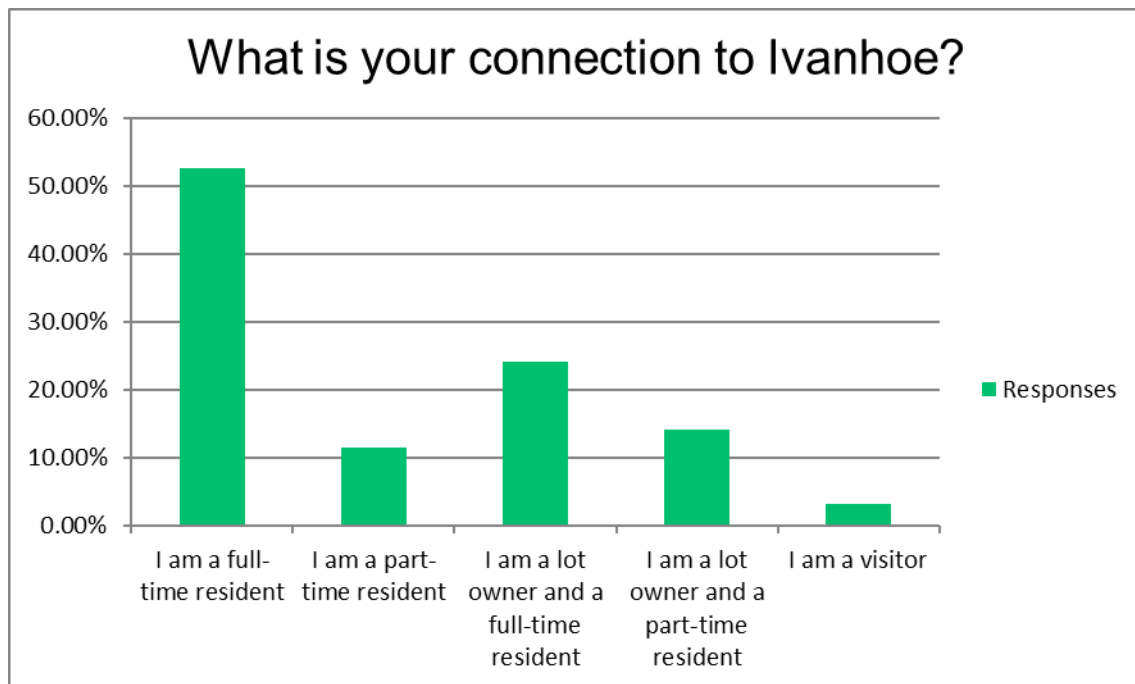
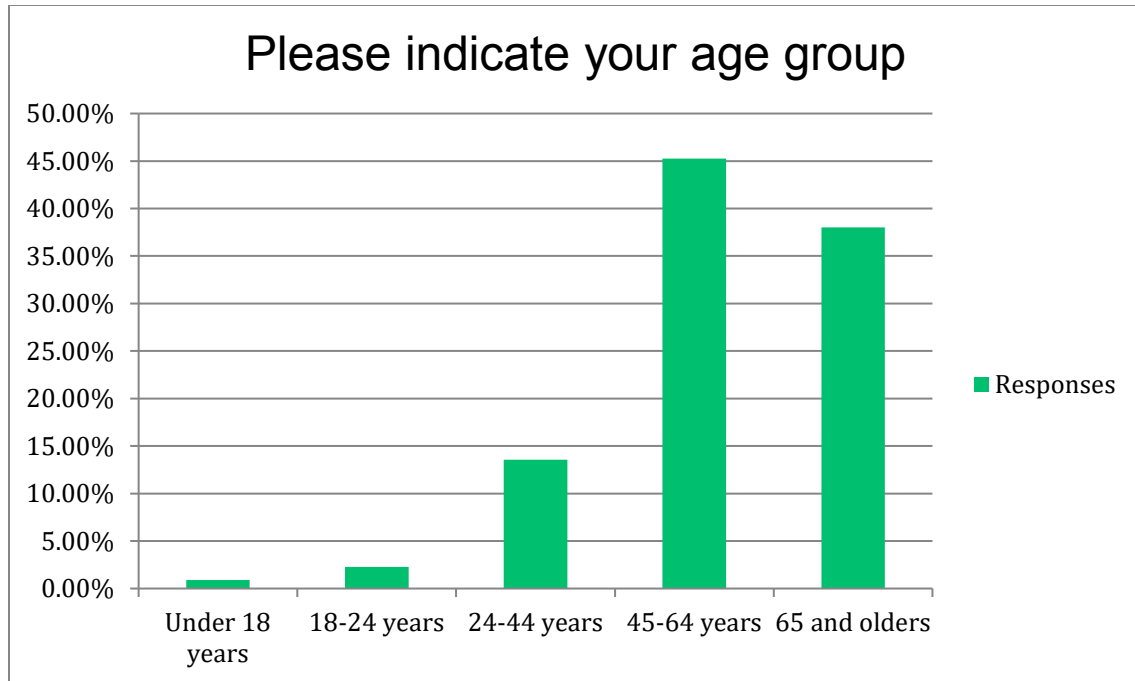
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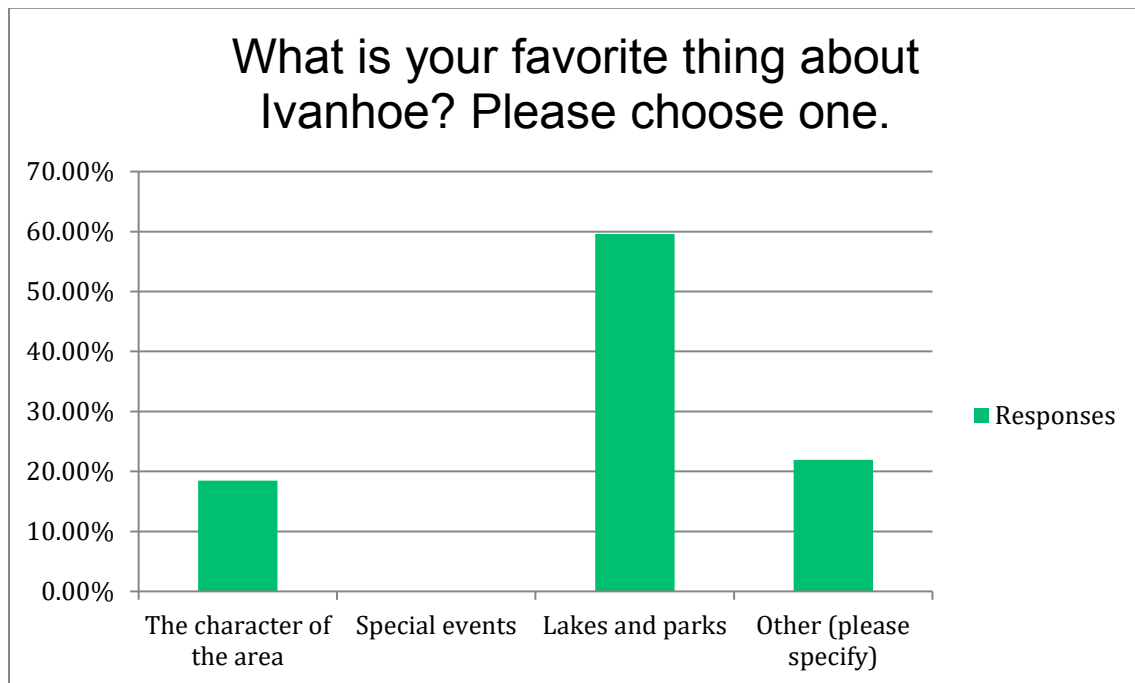
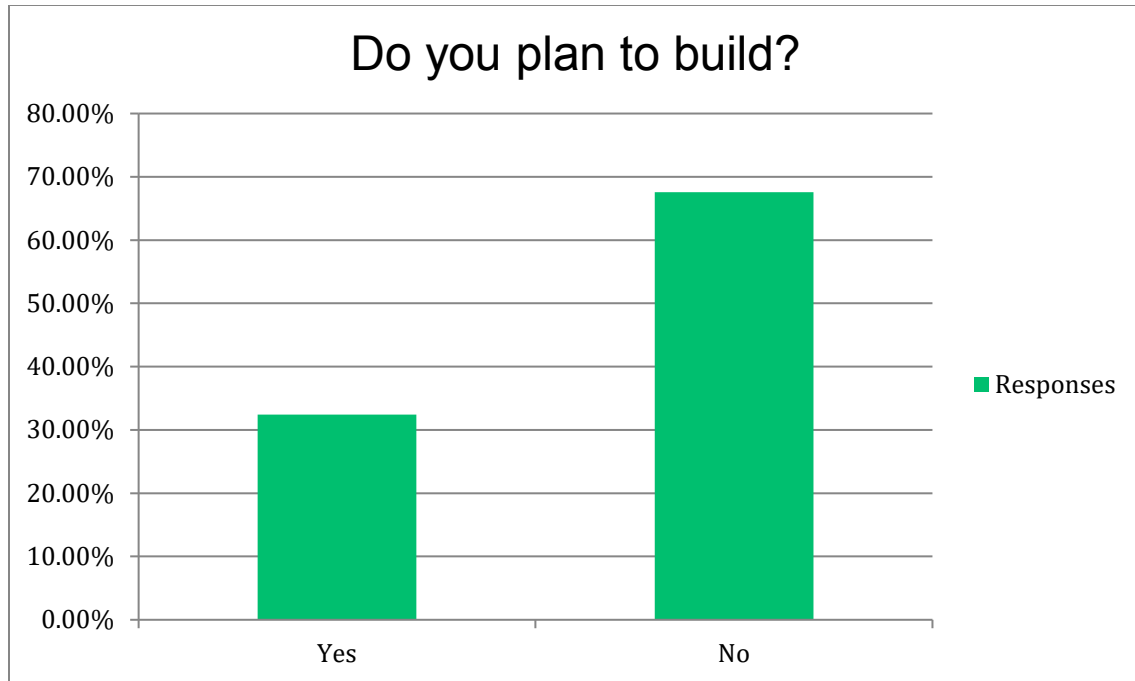
Key Themes from Community Survey

During July – August 2018, Veridus conducted a confidential electronic survey, targeting the overall Ivanhoe community. The purpose was to identify local strengths and weaknesses that would impact growth, as well as future opportunities for Ivanhoe to target. More than 220 people, including full-time and part-time residents and visitors, participated in the survey and shared their perspectives. The primary concerns identified in the survey focused on the poor roads and infrastructure, stark division of residents on community issues, lenient code enforcement, and a need for high-speed, reliable internet access.

Respondents overwhelmingly enjoy the peaceful and beautiful rural environment, lakes, parks, and community members that were often cited as “feeling like family.” Many shared their love for the community and robust desire for improvement. A few questions are highlighted below, and you can access the full survey results in the Appendix.



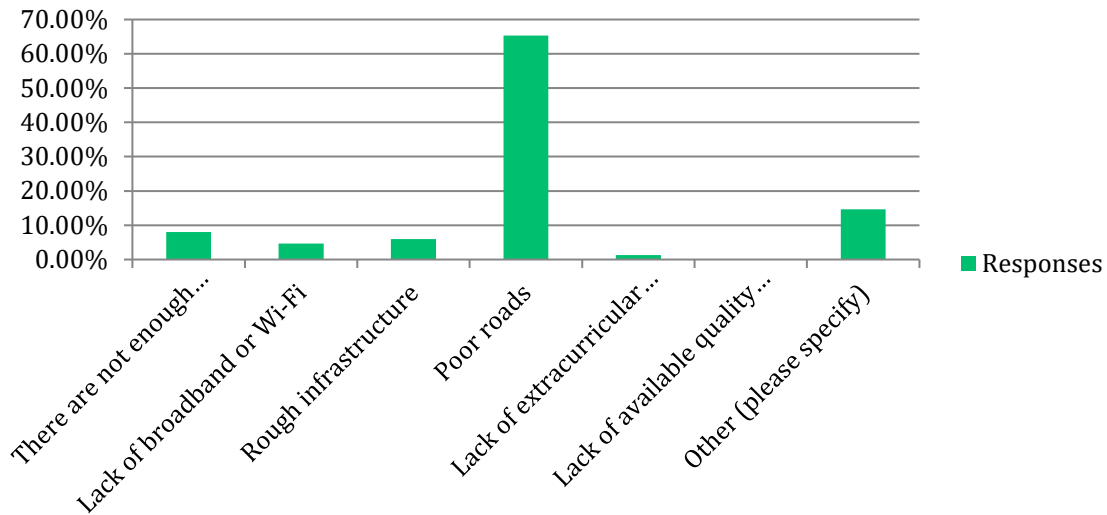




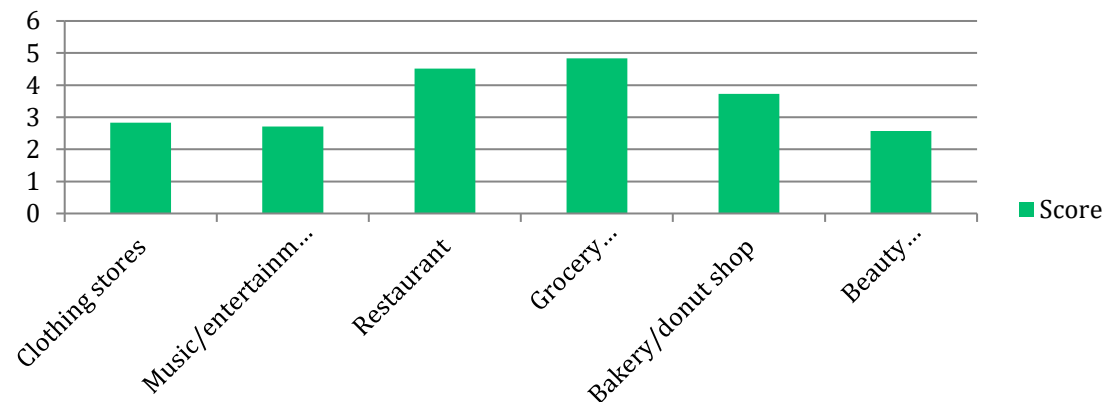
Under the “Other” response, participants cited the community’s quiet environment, people, country living, and great neighbors as assets enjoyed.



What is your least favorite thing about Ivanhoe? Please select up to 3 topics.



As a consumer, what types of retail stores/businesses would you potentially visit, if available, in Ivanhoe? Please rank the options below.



Action Steps

At the beginning of this assessment and action planning process, Veridus worked with the Steering Committee to extract ideas for realistic and actionable progress. This Action Plan captures goals and strategies that will ultimately define how stakeholders and the region at large will experience the future growth of Ivanhoe.

Goals and Strategies

Infrastructure and Funding

Due to the terrible and abundant decay of roads in Ivanhoe, the top recommendation is to assemble funding to directly, swiftly, and sustainably repair the roads. Currently, City Council officials have scheduled a bond election for November 2018, and our firm strongly supports this effort. Transparent communication and consensus building with all stakeholders is critical, ensuring the bond effort and results are understood and effectively implemented.

Other areas for consideration are re-structuring the relationship between the City of Ivanhoe and the Ivanhoe Property Owners Improvement Association (IPOIA). Currently, IPOIA is responsible for managing the parks, lakes, and all permits associated with lake usage. All work done is done by volunteers, which is not a sustainable operational model. In order to keep lake access exclusive for private-use, a new operational model in partnership with the City of Ivanhoe is recommended. Two types of mechanisms should be researched to see if they are applicable:

- *Community Development Corporation formation*
- *Economic Development Corporation formation (Type A and B)*
- *Public Improvement District (See Fort Worth example: <http://fortworthtexas.gov/pid/>)*

Lastly, many lots have been left in a state of neglect and disrepair. While new efforts have emerged to increase code enforcement, City officials should identify and target egregious sites, such as those who have not paid property taxes, and move toward having the lots be available for development. Understanding this process can be arduous and potentially costly, City officials must work closely with Tyler County officials, the school systems, and the tax assessor's office to formulate a cohesive plan for this project.

Partnerships

Partnerships are critical for communities looking to increase its development, and it is supremely important for small and rural communities, like Ivanhoe. Municipalities across the U.S. are constantly facing budget constraints, and, thus, pooling expertise and resources is necessary for forward movement. Ivanhoe has strong relationships within Tyler County, but additional work is needed for amplified growth. First, Ivanhoe and the regional school districts should meet quarterly, at a minimum, with other regional public officials, to update one another



on issues related to education/workforce development and attraction, business development, and housing. All of these topics are vital pieces to the larger economic development puzzle. During these discussions, problems can be addressed by a broader network of expertise and resources, often leading to transformational projects.

Additionally, Ivanhoe staff and official should become more engaged with regional economic development partners, such as the Deep East Texas Council of Governments and the Texas Forest Country Partnerships. These two regional organizations are leading the economic development efforts for Ivanhoe and the region and can provide both recommendations on marketing activities and funding sources, and also can provide broader opportunities for increasing economic development knowledge for staff and officials. Working efforts to engage a peer network in Texas of local public officials and staff is important to increasing the City's realm of expertise and resources for future problem solving.

Marketing

The City of Ivanhoe has a beautiful story to tell. Beginning with its establishment in the early 1960s into its incorporation in 2009, Ivanhoe has always come together to solve problems. While infrastructure needs do carry the priority for the City's time and resources, marketing its unique and coveted assets is also critical for long-term sustainability and economic prosperity. One of the best ways to market a community like Ivanhoe is social media because of its wide user-reach, low-cost (free!), and ease of use. Supplemental to this Action Plan will be a user-guide to Facebook for City staff and officials, in addition to recommended social media policies.

Additionally, partnering with local and regional business and tourism organizations will help increase awareness. Promotions for local Ivanhoe assets could include encouraging residents, businesses, and visitor to utilize Yelp or TripAdvisor to add user reviews. Furthermore, a "frequent user program" could be initiated in conjunction with regional businesses in Woodville, to help elevate the profile of Ivanhoe and the region.

Lastly, engaging regional real estate brokers in the marketing process can also help increase the community's profile.



Observation Report for La Porte, Texas – November 2018

On Redevelopment and Revitalization of Spencer Highway and Main Street Corridors

International Economic Development Council Disaster Recovery Volunteer Program

Recommendations from Ivan Baker, CEcD, AICP, FM

Ivan Baker has been a professional economic developer for the past 37 years, working in 7 states including Texas. He is one of only 45 dual-Certified CEcD Economic Developers and AICP Certified Planners in the nation. He is also one of 125 honored Fellow Members of Economic Development selected by the International Economic Development Council (IEDC) for his service and leadership to the profession. He is a nationally-recognized industrial, office and retail developer, serving in leadership positions with IEDC, CoreNet Global, and the International Council of Shopping Centers. His success has resulted in over \$ 2.5 Billion in new business capital investment, 9 million square feet of new development, and the creation of over 34,000 new jobs.



The City

La Porte is a recognized Family-friendly city in Harris County, Texas, located within the Bay Area of the Houston–Sugar Land–Baytown metropolitan area. The current city population is estimated at 34,922.

The area around modern La Porte gained fame early in Texas history as the location of the Battle of San Jacinto on April 21, 1836, which ended the Texas Revolution, establishing the independence of the Republic of Texas from Mexico. The San Jacinto Monument, in the unincorporated area of La Porte, commemorates the battle.



During the early 20th century, particularly the 1920s and 1930s, La Porte's Sylvan Beach became a nationally known tourist destination attracting some of the nation's most well-known entertainers. As a result of changing economics in the Houston area and beach erosion, the tourist business declined while industrial development in the area grew. During World War II and afterward, La Porte's economy rapidly shifted toward petroleum/petrochemicals and shipping, which developed as the dominant industries in the Pasadena-Baytown area. When La Porte celebrated its centennial in 1992, it was the home of Barbours Cut Terminal, operated by the Port of Houston Authority since 1977. Fifteen years later, the Port of Houston's newest addition, Bayport Terminal, was established just south of La Porte. The area around La Porte has served an increasingly important role in international trade since the 1970s. (from Wikipedia description)

La Porte, TX has a population of 34,922 people with a median age of 37.3 and a median household income of \$70,681. 42 percent of the local population have earned an Associate Degree or higher college education. The 10 mile radius market has a population of 400,000 with a median household income of \$67,151.



The Current Economy

Low unemployment and strong existing industries epitomize the La Porte economy. Major employers are in Petrochemical, Engineering, Manufacturing, Construction and Transportation sectors. The primary economic-needs voiced by leaders is not the creation of more jobs, but the enhancement of existing business corridors to attract More Business, and thereby, retain more of the disposable income earned in La Porte.

Previous Studies

A five year old Retail Market study by Catalyst points out key advantages and challenges of the La Porte economy for retail development as follows:

Advantages: Bay/beach access, Above average incomes, Lack of competition, low cost real estate, low crime, large number of weekday hotel stays.

Challenges: Appearance of Bay, Upper end blue collar incomes, Poor reputation as a dirty town, small town population, geographic isolation because of large industrial districts and the bay, nearby tourist communities, traffic counts, Existing Retail in adjacent communities

The Issues

- Competition from surrounding communities for retail, services, tourism
- Age and Availability of existing building stock for business
- Competitive attractiveness of existing sites to secure additional development
- Possibility of building on past tourism history of Sylvan Beach



The Retail Market

The Latest ESRI Retail Leakage Report for La Porte market (included in this report) demonstrates that there is Definite Demand to support More Business Development. The key is for leaders to make sure this development occurs in La Porte, and not Pasadena, Deer Park, Kemah, or Baytown. But attractive and marketable real estate, at competitive prices, will be required to attract well-capitalized businesses to meet the demand.

With a \$315 million retail sales gap, the most recent ESRI report demonstrates there is MORE Market Demand than supply in the following retail categories....categories for businesses to attract to the corridors of La Porte:

Furniture

Health and Personal Care

General Merchandise

Clothing

Sporting Goods

Jewelry

Drinking Places

The Flood Disaster

The catastrophic flooding from Hurricane Harvey in 2017 affected a large region of southeast Texas. In La Porte, the worst flooding impact was primarily in residential areas on the western and southern sides of the city, and resulted in planning for additional flood control and stormwater drainage infrastructure. One year later, the City has obviously responded to the disaster, and continues to serve its citizens with rebuilt and vibrant neighborhoods, business districts of opportunity, and a safe and healthy environment.



Focus of this Report

From observations, and based on knowledge and experience of business corridor and downtown development throughout the United States, suggestions and recommendations are made relating to these key areas:

- **Redevelopment of the Spencer Highway Corridor and the eastern end of this Corridor, which becomes Main Street of La Porte.**
- **Possible redevelopment and promotion of Sylvan Beach.**



First Impression

Entering La Porte from any direction, the first-time visitor notices that 1) the region is very industrial and boasts a skyline of Refineries, 2) emissions from those refineries can make one question air quality, 3) the city appears to be a clean, middle-class community, 4) the number of retail and service businesses is dramatically and noticeably reduced as you enter the city from Baytown, Pasadena or Kemah/Seabrook, 5) residential neighborhoods are attractive, 6) pedestrian traffic is almost non-existent, 7) sidewalks are not consistently available, and crosswalks often lead to a field, 8) most

occupied and vacant buildings are in good condition, 9) building vacancy is not an obvious problem, 10) some available buildings downtown and on Spencer corridor (as well as the signage) look poorly maintained, poorly managed, and unattractive for new well-capitalized tenants, and 11) the city business areas seem lethargic without color, activity, and dynamism.



Possible Opportunities

- Must Differentiate La Porte from other surrounding towns.
- Being Different and Unique is Good, and must be embraced.
- Leaders must decide what the Spencer Corridor and Main Street should become, with a full understanding of competition and the ever-changing retail market.

Appearance

Public Art – Privately Funded

The city (especially the downtown and Spencer Highway areas) needs more color and vibrancy. Work with the schools, College Art Department, Local artists, and encourage More Colorful and Attractive Artwork, Murals, Sculptures throughout the community



Five Points Plaza – Downtown

This is a great potential meeting place, but is not maintained, looks tired, and does not show any appeal for any sector of the citizens or visitors. The water features were not working, were not maintained, and were full of unappealing brown water. Fencing was damaged. This plaza is a potential nice feature, but needs Maintenance, Lots more Color, and needs to have event programming that will attract people to the plaza and downtown.

Current



Plaza with Colorful Mural instead of plain fence



Property Maintenance

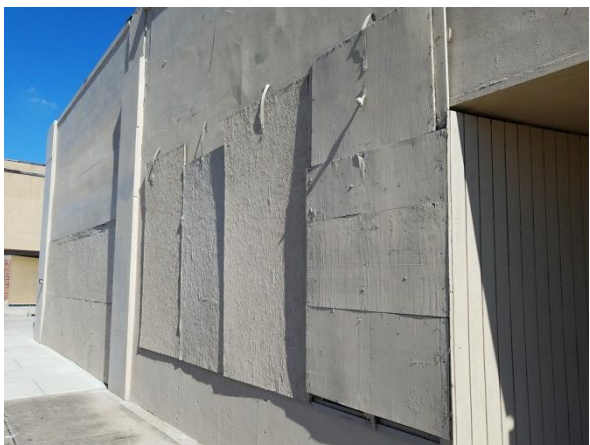
Building owners need to be required to maintain buildings, as per city ordinance. The City should insure construction and maintenance of Plazas, sidewalks, and green areas. Plant and maintain flowers. This is warm-climate south Texas...and colorful abundant Flora should be evident everywhere. Visitors expect this, and citizens benefit from this. Encourage church groups and Garden groups to assist.



Code Enforcement

Some buildings in the business corridors have terrible first impressions, and are not marketable. Note pictures in this report. Baytown Downtown has a dreadful first impression of crime and a bad business climate because of metal gates and plywood over windows. One colorful event site does not improve the Bad downtown impression of Baytown. La Porte cannot allow this virus of bad appearance to creep into their city. La Porte City Codes should be in place (and enforced) to 1) not allow Any Plywood boards to cover windows except during severe weather, 2) not allow Any Metal Bars or Gates to block windows, 3) not allow poor maintenance or appearance of commercial buildings, 4) insure that available buildings are meeting health and safety codes and are ready for occupancy, 5) encourage attractive and maintained readable business signs that are perpendicular to the buildings for easy view. Vacant buildings must be well-kept and obviously ready for occupancy. Unfortunately, some vacant buildings in La Porte are not inviting to a potential tenant or buyer. One bad building owner in a downtown area can ruin the impression of the entire town.

Baytown Downtown – examples of Poor Code Enforcement and Negative First Impressions



Pedestrian Friendly

Sidewalks need to be constructed along the entire Corridor – connecting shopping areas. The Corridor must be attractive and safe for pedestrians. Plans should be in place with this thought – “If I were in a Wheelchair and wanted to shop and dine at several La Porte businesses, is the city making it easy for me?”



Color

The Spencer Corridor and Downtown need a Bright Injection of Color and Vibrancy. Colorful Banners are an easy and inexpensive way to Show Pride and Differentiate from Deer Park and Pasadena. La Porte can and should be the Part of Spencer Highway that is Cool, Dynamic, Colorful, and full of Pride. Consider year-round Bright Color Banners that Draw Attention to the Proud La Porte sides of Spencer Highway. Encourage Colorful Murals to be painted and Colorful Flower Gardens to be planted throughout the Corridor and Downtown.



Events to Attract Customers and Tax Revenue

- Keep building momentum with Main Street Trade Days and Car Shows and other events like Sylvan Beach Day and FFA Rodeo.
- Utilize Niche Marketing with unique events and related promotions unlike neighbors
- Always Focus events in downtown area and plaza.....make people believe that Downtown is the fun and vibrant center of the community. Be the safe and cool place to have fun with friends and family.

- Embrace being “French” La Porte – Become the City known for Music and Wine, Wine Festival, Wine Tastings Once a month, “Le Jazz Hot Jazz Festival”, or similar “French themed events.”
- Feature Local Bands and High School Groups on a regular basis – local flavor, attracts friends and family.
- Diversity of the population could encourage the development of an International Festival or Event featuring a variety of music, foods, and cultural activities
- Five Points (downtown) was location of first city movie theatre. Build on that fact. As in many cities, Schedule free family-friendly outdoor movie showings where people can bring their lawn chairs, grab food and drink at a food truck, and enjoy the show. Encourage redevelopment of the former movie theatre as an Entertainment Venue.
- Establish a regular weekly Farmers Market downtown during season
- Establish and promote a primarily Private Funded Arts Council (with active support from churches, neighborhoods and schools) that will encourage Arts Events downtown, Public Art projects, events, and Artistic Beautification throughout the city, but especially in the Main Street and Spencer Corridor.
- Coordinate in every way possible with San Jacinto College, to encourage students and faculty to live, work, spend money, and have fun in La Porte...rather than other nearby cities. College Days. Have Special events and promotions aimed at Students who have college IDs. Provide opportunity for San Jacinto college students to publicly perform, and display their art.



Branding

Counter the Potential View of the Unhealthy Refinery area with “Live Healthy La Porte” – “Living Well La Porte”

Play off the “French name of La Porte” - La Porte is La Cool. Ooh La La Porte.



Development Suggestions

- Agree on a Plan and be ready to promote that plan. Have meetings with key retail developers in the region and promote the opportunities. Attend any and all Houston and Texas ICSC events, especially the Texas Deal Making event, and promote the Unique Opportunities in La Porte. Do not focus on big box.
- Big Box Centers already exist in surrounding cities, and the changing retail market is forcing big boxes to reduce real estate footprint and rely more on Internet sales. La Porte business corridors should Focus on well-capitalized Small Business and Entrepreneur development that is unique, different, and fills a niche in the market.
- Encourage Existing Developers to expand and grow on same corridor. Retain and promote.
- Most downtowns want and need a movie theatre/arts center. La Porte has the building and a plan needs to be developed to utilize this Former Movie Theatre for an Entertainment Attraction Venue.
- Promote a Franchise Expo in coordination with the Small Business Development Center, local banks, and San Jacinto College, to encourage potential entrepreneurs to develop a business plan and open a small business in La Porte.
- Secure a mailing list of La Porte households with over \$100,000 annual income (Hugo Dunhill is one source) and promote "Start your own Business Opportunities in La Porte" to this target list.
- Become a Unique and attractive destination (not just with one gimmick umbrella covered site like in Baytown) ...but integrate the entire downtown and Spencer corridor to result in best and highest multiplier economic development
- Counter any wrong perception of being an Unhealthy industrial town. Make Downtown La Porte the "Good Health Downtown" with a Cluster of Health Food Retailers, Health food restaurants, and Health Related Services including massage, fitness centers, yoga, chiropractors. Have "Health related events" downtown. Work with Hospitals and College and area Health companies. Living Well La Porte. Stop promoting downtown restaurants as "sinful" menus.
- Possibly encourage any business on Main Street to have a Wine and Beer License at very low cost. (savings of at least compared to other city locations) This could be an incentive to attract more business to Main Street, appeal to customers, and provide opportunity for more profits. Buy a dress, and have a glass of wine. Buy jewelry, and have a glass of wine. Buy western clothing and boots, and have a beer.



Sylvan Beach

Sylvan Beach is unfortunately no longer a prime tourism opportunity, as it is definitely a small Local beach park in the middle of what the public considers a Major Industrial Area. It has poor road access, and there is too much competition from nearby Modern Appealing Gulf Tourism Destinations like Galveston, and waterfront attractions at Kemah.

The City and others could Promote and Make Sylvan Beach – “Our Beach” - The Best opportunity for Sylvan Beach is to not dwell on the past heyday of the 1920s and 1930s, and instead make the year-round park very special for locals, and maximize land-use and tax revenue with more multi-level residential featuring green space and water-access appeal. Close Proximity to the La Porte High School create opportunities for Sylvan Beach to be a year-round programmed destination/attraction for teenagers, with music events, special events before and after high School Sports activities, and coordinated activities with high school departments and clubs. “Our Beach”



Action Steps

To assure sustainability and buy-in from the influential leaders and power brokers in the community, a Strategic Planning Process should be initiated by the City. Current business owners, current corridor property owners, and potential developers should be included in the process. A true Vision of the Corridor has not yet been established or formulated. Goals and objectives need to be clarified, and the ultimate plan must be benchmarked for success. Do not being any Marketing until a Plan is in place, and the real estate is ready to promote.

The purpose of this Disaster Recovery report specifically did Not include a Strategic Planning process. But after listening to the concerns, and viewing the community, it is the recommendation of this author that a Strategic Planning Process with the influential leaders of La Porte is needed and necessary. The power brokers and elected leaders in La Porte need to unify behind some key ideas that can improve the business climate perception of the City, and excite residents and customers.



Retail Marketplace Profile Report

Port Crossing La Porte, TX
Drive Time: 10 minute radius

Latitude: 29.6303
Longitude: -95.0352

Summary Demographics

2018 Population	38,045
2018 Households	14,224
2018 Median Disposable Income	\$63,867
2018 Per Capita Income	\$39,212

2017 Industry Summary

	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$665,435,566	\$455,028,662	\$210,406,904	18.8	271
Total Retail Trade	44-45	\$598,862,593	\$405,792,333	\$193,070,260	19.2	187
Total Food & Drink	722	\$66,572,973	\$49,236,329	\$17,336,644	15.0	84

2017 Industry Group

	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$129,400,722	\$77,330,635	\$52,070,087	25.2	34
Automobile Dealers	4411	\$103,830,789	\$14,675,515	\$89,155,274	75.2	8
Other Motor Vehicle Dealers	4412	\$14,081,965	\$49,187,522	-\$35,105,557	-55.5	15
Auto Parts, Accessories & Tire Stores	4413	\$11,487,968	\$13,467,599	-\$1,979,631	-7.9	11
Furniture & Home Furnishings Stores	442	\$21,112,264	\$3,664,256	\$17,448,008	70.4	5
Furniture Stores	4421	\$12,107,584	\$2,857,753	\$9,249,831	61.8	3
Home Furnishings Stores	4422	\$9,004,680	\$806,503	\$8,198,177	83.6	2
Electronics & Appliance Stores	443	\$21,723,928	\$15,071,878	\$6,652,050	18.1	6
Bldg Materials, Garden Equip. & Supply Stores	444	\$41,072,982	\$28,251,135	\$12,821,847	18.5	24
Bldg Material & Supplies Dealers	4441	\$38,630,025	\$25,651,559	\$12,978,466	20.2	21
Lawn & Garden Equip & Supply Stores	4442	\$2,442,957	\$2,599,576	-\$156,619	-3.1	3
Food & Beverage Stores	445	\$107,132,963	\$81,732,567	\$25,400,396	13.4	21
Grocery Stores	4451	\$97,047,733	\$71,688,753	\$25,358,980	15.0	12
Specialty Food Stores	4452	\$4,528,913	\$2,811,022	\$1,717,891	23.4	4
Beer, Wine & Liquor Stores	4453	\$5,556,317	\$7,232,792	-\$1,676,475	-13.1	4
Health & Personal Care Stores	446,4461	\$34,587,147	\$17,189,063	\$17,398,084	33.6	10
Gasoline Stations	447,4471	\$58,555,463	\$80,860,613	-\$22,305,150	-16.0	18
Clothing & Clothing Accessories Stores	448	\$27,385,783	\$5,303,704	\$22,082,079	67.6	11
Clothing Stores	4481	\$18,083,816	\$4,445,046	\$13,638,770	60.5	9
Shoe Stores	4482	\$3,796,776	\$381,837	\$3,414,939	81.7	1
Jewelry, Luggage & Leather Goods Stores	4483	\$5,505,191	\$476,821	\$5,028,370	84.1	1
Sporting Goods, Hobby, Book & Music Stores	451	\$20,674,478	\$8,589,180	\$12,085,298	41.3	9
Sporting Goods/Hobby/Musical Instr Stores	4511	\$18,471,653	\$8,134,493	\$10,337,160	38.9	8
Book, Periodical & Music Stores	4512	\$2,202,825	\$454,687	\$1,748,138	65.8	1
General Merchandise Stores	452	\$104,087,761	\$8,048,852	\$96,038,909	85.6	6
Department Stores Excluding Leased Depts.	4521	\$72,532,021	\$1,780,881	\$70,751,140	95.2	1
Other General Merchandise Stores	4529	\$31,555,739	\$6,267,971	\$25,287,768	66.9	6
Miscellaneous Store Retailers	453	\$23,659,562	\$70,883,781	-\$47,224,219	-49.9	39
Florists	4531	\$1,128,617	\$1,128,530	\$87	0.0	3
Office Supplies, Stationery & Gift Stores	4532	\$5,073,922	\$3,048,900	\$2,025,022	24.9	4
Used Merchandise Stores	4533	\$3,998,976	\$1,474,605	\$2,524,371	46.1	7
Other Miscellaneous Store Retailers	4539	\$13,458,046	\$65,231,746	-\$51,773,700	-65.8	25
Nonstore Retailers	454	\$9,469,540	\$8,866,671	\$602,869	3.3	5
Electronic Shopping & Mail-Order Houses	4541	\$6,609,220	\$7,213,010	-\$603,790	-4.4	2
Vending Machine Operators	4542	\$529,138	\$0	\$529,138	100.0	0
Direct Selling Establishments	4543	\$2,331,182	\$1,653,661	\$677,521	17.0	2
Food Services & Drinking Places	722	\$66,572,973	\$49,236,329	\$17,336,644	15.0	84
Special Food Services	7223	\$824,059	\$423,358	\$400,701	32.1	1
Drinking Places - Alcoholic Beverages	7224	\$2,491,383	\$1,482,455	\$1,008,928	25.4	6
Restaurants/Other Eating Places	7225	\$63,257,531	\$47,330,516	\$15,927,015	14.4	77

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please click the link below to view the Methodology Statement.
<http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>

Source: Esri and Infogroup. Esri 2018 Updated Demographics. Esri 2017 Retail MarketPlace. Copyright 2018 Esri. Copyright 2017 Infogroup, Inc. All rights reserved.

November 10, 2018

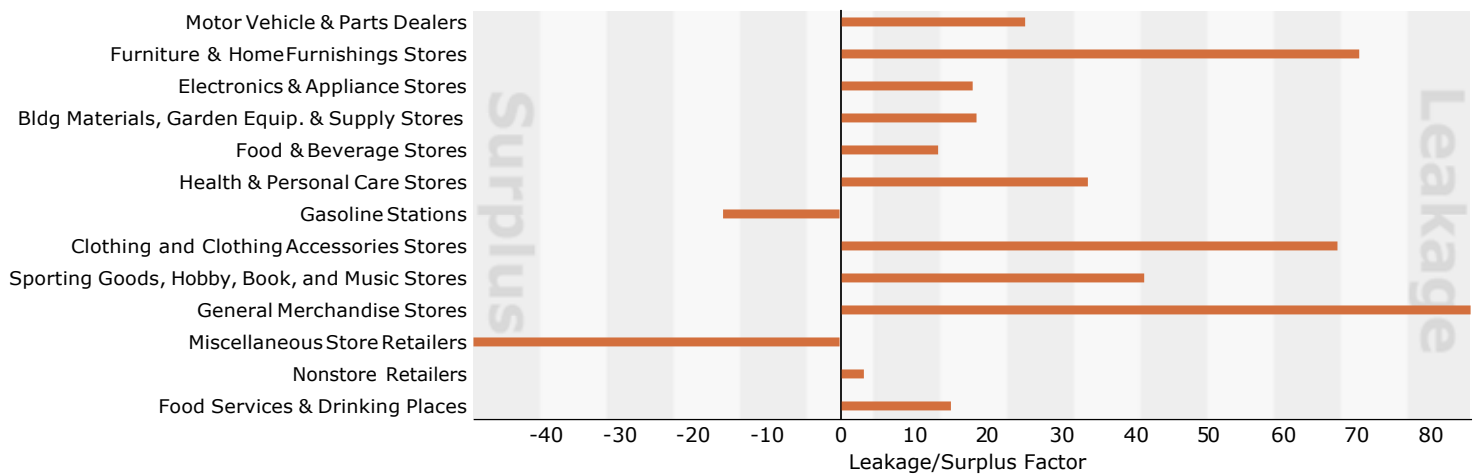


Retail Marketplace Profile Report

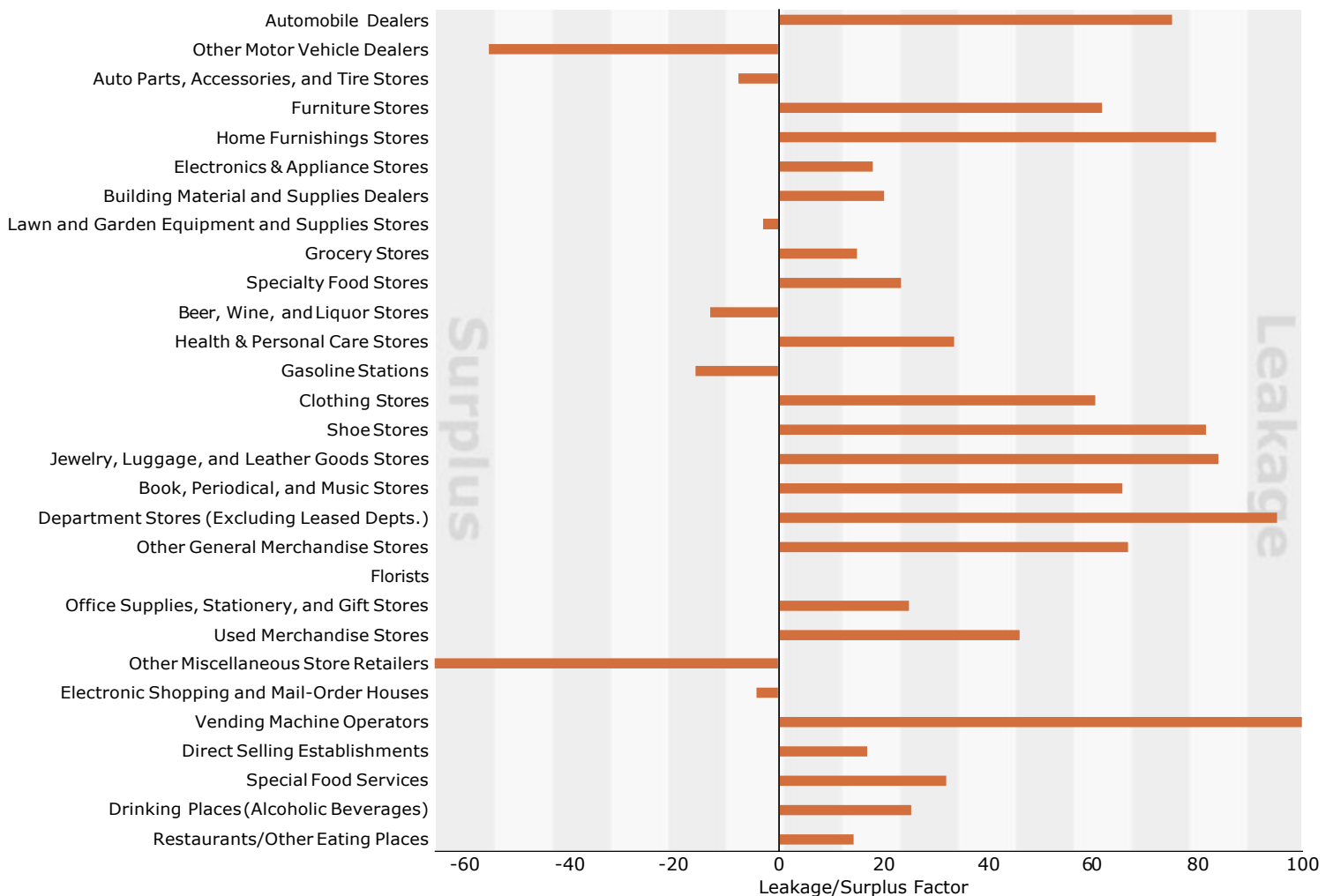
Port Crossing La Porte, TX
Drive Time: 10 minute radius

Latitude: 29.6303
Longitude: -95.0352

2017 Leakage/Surplus Factor by Industry Subsector



2017 Leakage/Surplus Factor by Industry Group



Source: Esri and Infogroup. Esri 2018 Updated Demographics. Esri 2017 Retail MarketPlace. Copyright 2018 Esri. Copyright 2017 Infogroup, Inc. All rights reserved.

November 10, 2018



Retail Marketplace Profile Report

Port Crossing La Porte, TX
Drive Time: 20 minute radius

Latitude: 29.6303
Longitude: -95.0352

Summary Demographics

2018 Population	364,828
2018 Households	132,177
2018 Median Disposable Income	\$56,731
2018 Per Capita Income	\$34,147

2017 Industry Summary

	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$5,662,495,010	\$5,463,748,943	\$198,746,067	1.8	2,458
Total Retail Trade	44-45	\$5,091,834,539	\$4,776,424,285	\$315,410,254	3.2	1,620
Total Food & Drink	722	\$570,660,471	\$687,324,658	-\$116,664,187	-9.3	839

2017 Industry Group

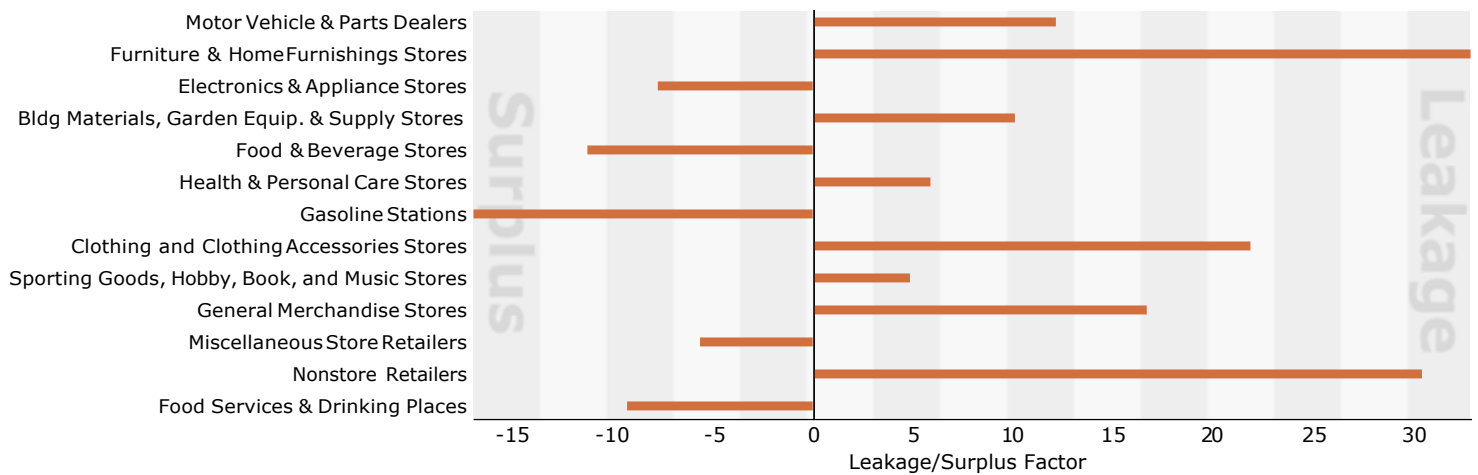
	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$1,098,641,381	\$860,291,278	\$238,350,103	12.2	234
Automobile Dealers	4411	\$883,390,574	\$490,111,698	\$393,278,876	28.6	59
Other Motor Vehicle Dealers	4412	\$117,826,626	\$266,991,755	-\$149,165,129	-38.8	86
Auto Parts, Accessories & Tire Stores	4413	\$97,424,181	\$103,187,825	-\$5,763,644	-2.9	90
Furniture & Home Furnishings Stores	442	\$179,363,953	\$90,545,506	\$88,818,447	32.9	79
Furniture Stores	4421	\$104,108,095	\$53,840,470	\$50,267,625	31.8	43
Home Furnishings Stores	4422	\$75,255,858	\$36,705,036	\$38,550,822	34.4	36
Electronics & Appliance Stores	443	\$185,754,177	\$217,252,411	-\$31,498,234	-7.8	77
Bldg Materials, Garden Equip. & Supply Stores	444	\$335,721,412	\$274,212,096	\$61,509,316	10.1	136
Bldg Material & Supplies Dealers	4441	\$316,368,240	\$266,489,040	\$49,879,200	8.6	118
Lawn & Garden Equip & Supply Stores	4442	\$19,353,172	\$7,723,056	\$11,630,116	43.0	18
Food & Beverage Stores	445	\$918,064,245	\$1,152,781,095	-\$234,716,850	-11.3	234
Grocery Stores	4451	\$832,017,258	\$1,061,647,861	-\$229,630,603	-12.1	151
Specialty Food Stores	4452	\$38,924,413	\$35,923,670	\$3,000,743	4.0	43
Beer, Wine & Liquor Stores	4453	\$47,122,574	\$55,209,564	-\$8,086,990	-7.9	40
Health & Personal Care Stores	446,4461	\$291,227,528	\$258,593,454	\$32,634,074	5.9	126
Gasoline Stations	447,4471	\$504,609,931	\$711,880,570	-\$207,270,639	-17.0	148
Clothing & Clothing Accessories Stores	448	\$234,461,755	\$150,094,120	\$84,367,635	21.9	150
Clothing Stores	4481	\$155,022,732	\$94,500,181	\$60,522,551	24.3	106
Shoe Stores	4482	\$32,817,671	\$22,015,411	\$10,802,260	19.7	17
Jewelry, Luggage & Leather Goods Stores	4483	\$46,621,352	\$33,578,529	\$13,042,823	16.3	27
Sporting Goods, Hobby, Book & Music Stores	451	\$176,109,211	\$159,763,996	\$16,345,215	4.9	74
Sporting Goods/Hobby/Musical Instr Stores	4511	\$157,071,272	\$141,092,108	\$15,979,164	5.4	64
Book, Periodical & Music Stores	4512	\$19,037,939	\$18,671,888	\$366,051	1.0	10
General Merchandise Stores	452	\$890,256,358	\$635,887,944	\$254,368,414	16.7	90
Department Stores Excluding Leased Depts.	4521	\$620,374,015	\$530,274,676	\$90,099,339	7.8	24
Other General Merchandise Stores	4529	\$269,882,343	\$105,613,268	\$164,269,075	43.7	66
Miscellaneous Store Retailers	453	\$199,491,754	\$223,532,166	-\$24,040,412	-5.7	246
Florists	4531	\$8,986,851	\$11,203,273	-\$2,216,422	-11.0	29
Office Supplies, Stationery & Gift Stores	4532	\$43,294,140	\$34,740,816	\$8,553,324	11.0	50
Used Merchandise Stores	4533	\$34,221,794	\$14,009,861	\$20,211,933	41.9	45
Other Miscellaneous Store Retailers	4539	\$112,988,969	\$163,578,216	-\$50,589,247	-18.3	122
Nonstore Retailers	454	\$78,132,835	\$41,589,649	\$36,543,186	30.5	24
Electronic Shopping & Mail-Order Houses	4541	\$56,062,326	\$29,963,404	\$26,098,922	30.3	11
Vending Machine Operators	4542	\$4,551,517	\$258,345	\$4,293,172	89.3	2
Direct Selling Establishments	4543	\$17,518,993	\$11,367,900	\$6,151,093	21.3	11
Food Services & Drinking Places	722	\$570,660,471	\$687,324,658	-\$116,664,187	-9.3	839
Special Food Services	7223	\$6,875,181	\$3,019,336	\$3,855,845	39.0	14
Drinking Places - Alcoholic Beverages	7224	\$21,071,509	\$18,718,643	\$2,352,866	5.9	48
Restaurants/Other Eating Places	7225	\$542,713,782	\$665,586,679	-\$122,872,897	-10.2	776

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail Marketplace data, please click the link below to view the Methodology Statement.
<http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>

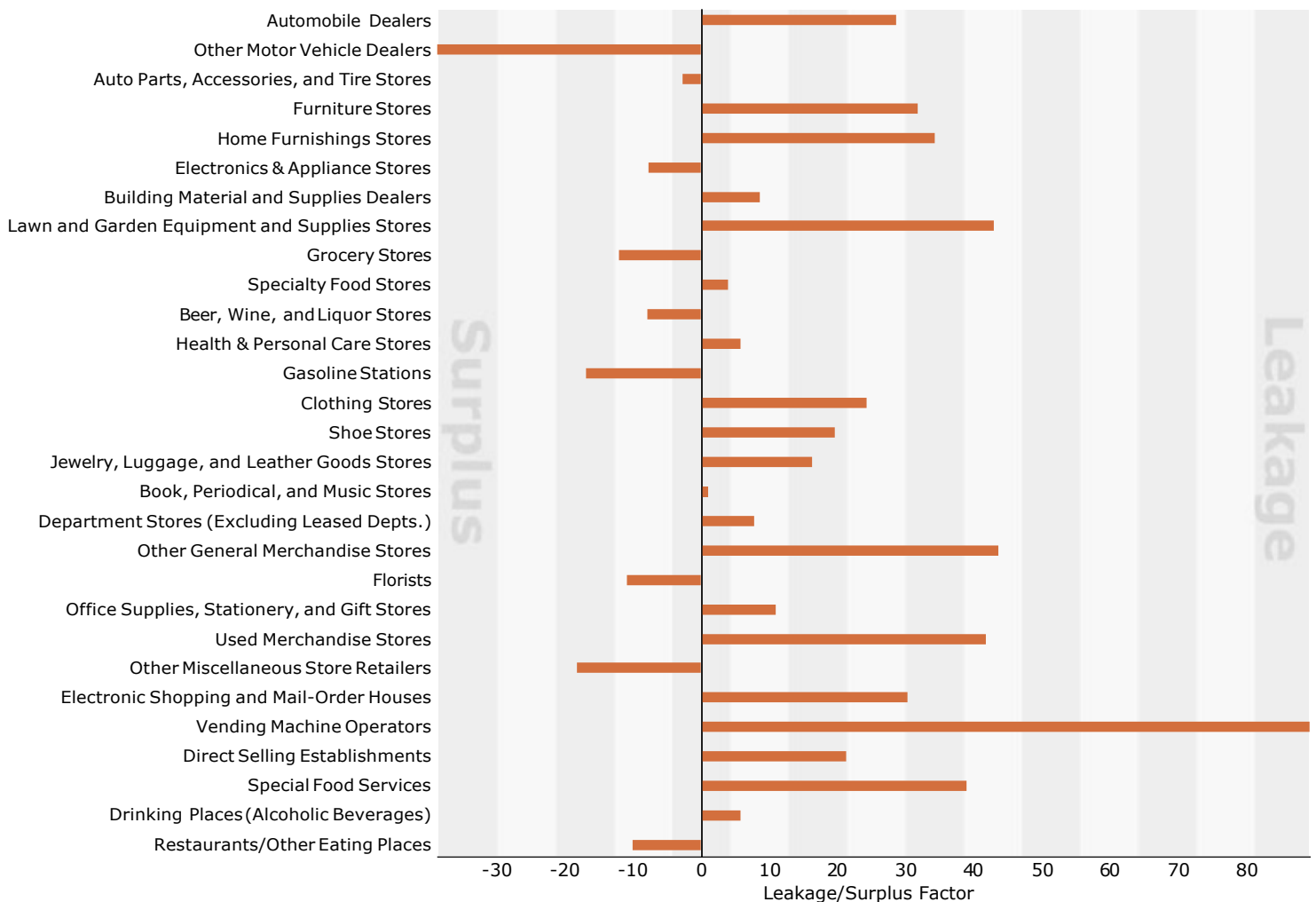
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November 10, 2018

2017 Leakage/Surplus Factor by Industry Subsector



2017 Leakage/Surplus Factor by Industry Group





Retail Marketplace Profile Report

Port Crossing La Porte, TX
Drive Time: 30 minute radius

Latitude: 29.6303
Longitude: -95.0352

Summary Demographics

2018 Population	1,177,513
2018 Households	391,254
2018 Median Disposable Income	\$48,430
2018 Per Capita Income	\$26,285

2017 Industry Summary

	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$14,261,330,193	\$17,740,305,484	-\$3,478,975,291	-10.9	7,584
Total Retail Trade	44-45	\$12,829,053,681	\$15,951,330,985	-\$3,122,277,304	-10.8	5,287
Total Food & Drink	722	\$1,432,276,512	\$1,788,974,499	-\$356,697,987	-11.1	2,296

2017 Industry Group

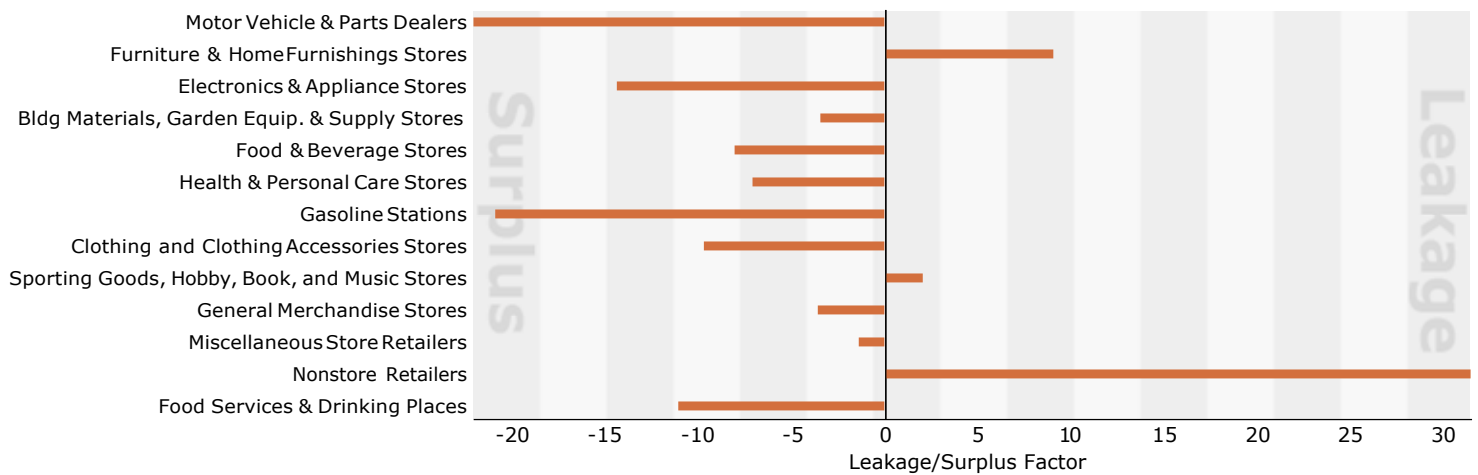
	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$2,771,727,237	\$4,345,332,124	-\$1,573,604,887	-22.1	978
Automobile Dealers	4411	\$2,231,897,905	\$3,073,275,971	-\$841,378,066	-15.9	441
Other Motor Vehicle Dealers	4412	\$295,234,806	\$885,730,349	-\$590,495,543	-50.0	190
Auto Parts, Accessories & Tire Stores	4413	\$244,594,526	\$386,325,804	-\$141,731,278	-22.5	347
Furniture & Home Furnishings Stores	442	\$447,179,641	\$372,418,189	\$74,761,452	9.1	260
Furniture Stores	4421	\$261,672,982	\$243,126,665	\$18,546,317	3.7	145
Home Furnishings Stores	4422	\$185,506,659	\$129,291,523	\$56,215,136	17.9	115
Electronics & Appliance Stores	443	\$467,136,786	\$624,470,949	-\$157,334,163	-14.4	236
Bldg Materials, Garden Equip. & Supply Stores	444	\$822,575,033	\$881,388,696	-\$58,813,663	-3.5	358
Bldg Material & Supplies Dealers	4441	\$777,028,780	\$862,288,031	-\$85,259,251	-5.2	308
Lawn & Garden Equip & Supply Stores	4442	\$45,546,253	\$19,100,665	\$26,445,588	40.9	51
Food & Beverage Stores	445	\$2,329,537,525	\$2,739,309,267	-\$409,771,742	-8.1	723
Grocery Stores	4451	\$2,114,005,970	\$2,435,103,942	-\$321,097,972	-7.1	488
Specialty Food Stores	4452	\$99,161,085	\$177,847,837	-\$78,686,752	-28.4	134
Beer, Wine & Liquor Stores	4453	\$116,370,470	\$126,357,488	-\$9,987,018	-4.1	101
Health & Personal Care Stores	446,4461	\$726,386,963	\$837,851,420	-\$111,464,457	-7.1	423
Gasoline Stations	447,4471	\$1,294,232,372	\$1,978,619,256	-\$684,386,884	-20.9	477
Clothing & Clothing Accessories Stores	448	\$588,061,189	\$714,930,652	-\$126,869,463	-9.7	590
Clothing Stores	4481	\$390,396,594	\$480,327,165	-\$89,930,571	-10.3	389
Shoe Stores	4482	\$83,615,715	\$126,762,762	-\$43,147,047	-20.5	97
Jewelry, Luggage & Leather Goods Stores	4483	\$114,048,880	\$107,840,724	\$6,208,156	2.8	104
Sporting Goods, Hobby, Book & Music Stores	451	\$443,005,008	\$425,064,932	\$17,940,076	2.1	227
Sporting Goods/Hobby/Musical Instr Stores	4511	\$394,893,974	\$384,763,460	\$10,130,514	1.3	191
Book, Periodical & Music Stores	4512	\$48,111,035	\$40,301,472	\$7,809,563	8.8	36
General Merchandise Stores	452	\$2,248,811,748	\$2,418,859,559	-\$170,047,811	-3.6	319
Department Stores Excluding Leased Depts.	4521	\$1,564,350,876	\$1,768,707,805	-\$204,356,929	-6.1	107
Other General Merchandise Stores	4529	\$684,460,872	\$650,151,753	\$34,309,119	2.6	212
Miscellaneous Store Retailers	453	\$498,378,431	\$512,988,773	-\$14,610,342	-1.4	632
Florists	4531	\$20,822,243	\$21,929,469	-\$1,107,226	-2.6	77
Office Supplies, Stationery & Gift Stores	4532	\$108,673,746	\$107,764,016	\$909,730	0.4	138
Used Merchandise Stores	4533	\$85,762,007	\$64,759,409	\$21,002,598	14.0	124
Other Miscellaneous Store Retailers	4539	\$283,120,436	\$318,535,880	-\$35,415,444	-5.9	293
Nonstore Retailers	454	\$192,021,748	\$100,097,168	\$91,924,580	31.5	65
Electronic Shopping & Mail-Order Houses	4541	\$140,303,218	\$68,188,598	\$72,114,620	34.6	24
Vending Machine Operators	4542	\$11,599,630	\$1,690,538	\$9,909,092	74.6	9
Direct Selling Establishments	4543	\$40,118,901	\$30,218,032	\$9,900,869	14.1	32
Food Services & Drinking Places	722	\$1,432,276,512	\$1,788,974,499	-\$356,697,987	-11.1	2,296
Special Food Services	7223	\$16,965,040	\$9,860,169	\$7,104,871	26.5	47
Drinking Places - Alcoholic Beverages	7224	\$51,537,863	\$49,812,302	\$1,725,561	1.7	147
Restaurants/Other Eating Places	7225	\$1,363,773,609	\$1,729,302,028	-\$365,528,419	-11.8	2,103

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please click the link below to view the Methodology Statement.
<http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>

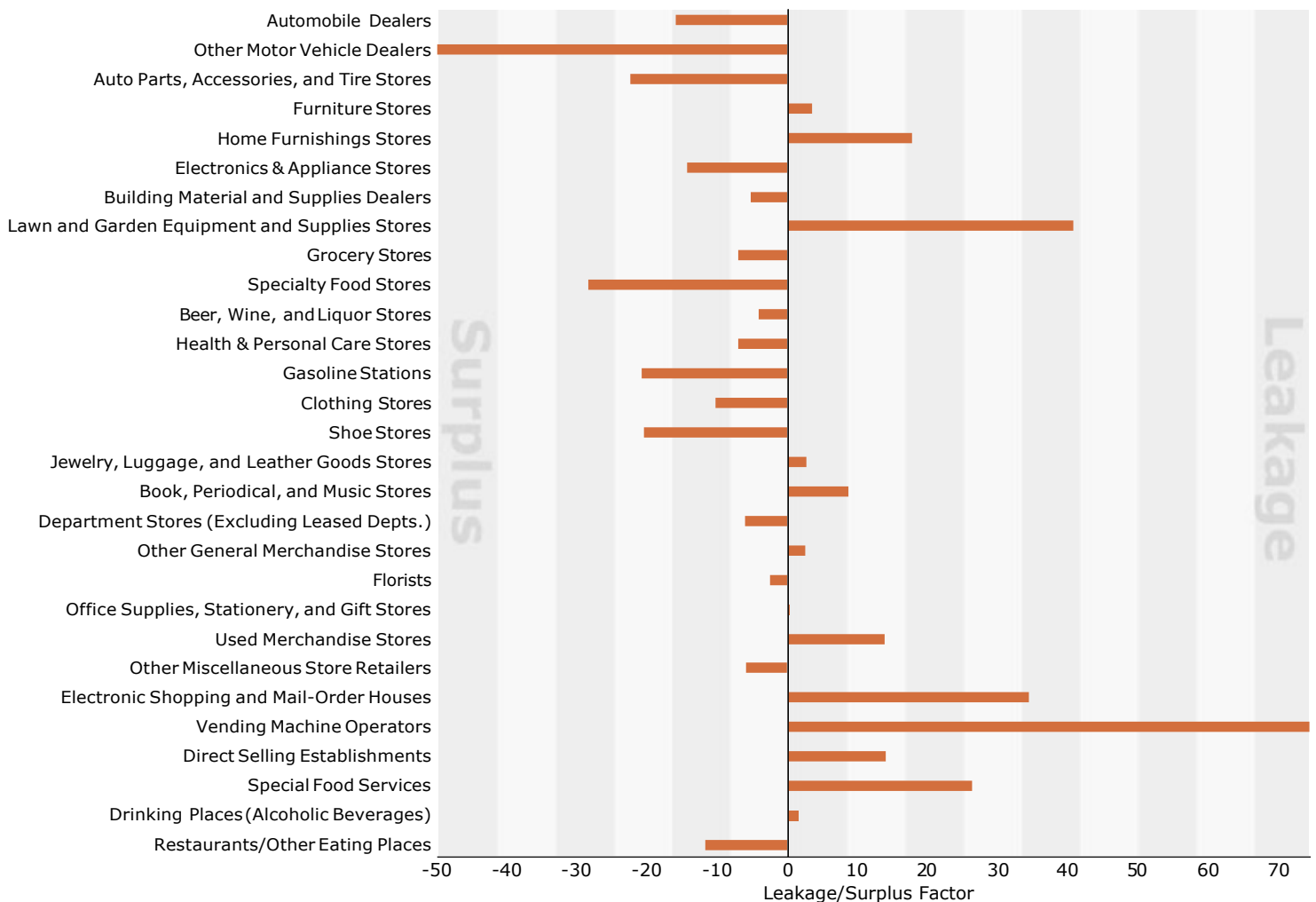
Source: Esri and Infogroup. Esri 2018 Updated Demographics. Esri 2017 Retail MarketPlace. Copyright 2018 Esri. Copyright 2017 Infogroup, Inc. All rights reserved.

November 10, 2018

2017 Leakage/Surplus Factor by Industry Subsector



2017 Leakage/Surplus Factor by Industry Group



Volunteer Report to IEDC
Deep East Texas Council of Governments

September 23 – 27th, 2018

Jim Fram, CEcD, CCE, FM

Sunday, September 23rd

Sunday was travel day with a drive from home to the Springfield, MO Regional Airport, air travel to DFW connection, then to Houston Intercontinental Airport. Picked up rental auto and drove the 1 ½ hours to Livingston in San Jacinto County.

San Jacinto County is one of 16 Counties in Texas impacted by Hurricane Harvey.

Contacted Christi Sullivan to set up a Monday early morning meeting.

Monday, September 24th

Met early at the Hampton Inn in Livingston with Christi Sullivan, the newly employed Regional Disaster Recovery Coordinator for DETCOG (Deep East Texas Council of Governments) to review her new job description, possible additional duties, and the challenges presented by the geographic area in general as well as the effects that Hurricane Harvey had on her territory.

We also reviewed potential training programs and economic organizations that she could become involved in while pursuing the mission of her new position at DETCOG.

Christi and I then drove to Coldspring, TX, the County seat for San Jacinto County and met Regional Planner Bob Bashaw and DETCOG Executive Director Lonnie Hunt who took us on a driving tour of San Jacinto County.

Following the tour and a brief lunch, we went to the San Jacinto County Courthouse to meet with Patricia Shorter, Sr Economic Development Specialist, from the Austin Regional office of the Economic Development Administration to review elements of the application for the proposed San Jacinto Community Facility which will house several not-for-profit agencies in addition to serving as an Emergency Command Center in future natural or man-made disaster events.

We recommended that the facility be named “The San Jacinto County Innovation Center”, capturing both economic development and other services in the name. The project description is: “A 10k square foot facility to house Agri-Life, Emergency Management, Visitor Development, Economic Development, Workforce Solutions, SBDC, DETCOG, and Farmer’s Market. It would also serve as a Command Post during manmade and natural disasters.” The proposed location would be the corner of Live Oak and Highway 150 in Coldspring, TX.

While in the courthouse we met briefly with San Jacinto County Judge Fritz Faulkner, several County Commissioners including Mark Netuno from Point Blank, Donnie Marrs from Sheppard, Laddy McAnally, and David Brandon, San Jacinto Emergency Management Coordinator to discuss and evaluate their enthusiasm and support for the proposed project.

The entire group toured the existing Community Building which is next door to the proposed site for the new Innovation Resource Center.

Tuesday, September 25th

Christi Sullivan and I met again to review the previous day's work, met briefly with Patricia Shorter and Bob Bashaw, then set out to drive back to Coldspring, TX, the County seat.

We met with the County Judge's assistant Michelle to attain copies of the project site survey, environmental report, and to secure a letter of commitment from the County officials. She recommended a meeting with Kimberly Wooley, County Auditor to secure these items.

We walked to the County Annex Building to meet with County Auditor Kimberly Wooley. She agreed to review the demographic info required for the EDA grant application that was available and to send it to Christi.

Wednesday, September 26th

Met Christi Sullivan in Lufkin for lunch to review the meetings in Coldspring, TX then drove to the offices of the Texas Forest Country Partnership to meet with Executive Director Nancy Windham to bring her up-to-date on the San Jacinto activity, Christi's activity, and to discuss possible actions for San Augustine and San Augustine County.

We all agreed that the Strategy for Economic Development in San Augustine was sound, and that future action would have to be addressed by local officials which might change dramatically after November elections.

We discussed possible outcomes and possible scenarios that could be pursued to bring San Augustine to be more aggressive about their local economic development.

Thursday, September 27th

This was a travel day. Before leaving the Hampton Inn in Livingston, TX, I reviewed notes and contacts to ensure that we had not missed any important items during this visit.

I drove back to Houston Intercontinental Airport for return flight, turned in the rental auto, connected in DFW, landed at Springfield, MO Regional airport then drove back home.

Conclusions

Christi Sullivan has a great deal of experience and a great working knowledge of the area due to being a native and by virtue of her work in managing the day-to-day operation of the Livingston Chamber of Commerce. Her familiarity with the area and local officials will dramatically shorten the learning curve for her becoming an impact for both disaster recovery and for the region's economic development.

I recommended memberships for her in IEDC, TEDC, SEDC, and to be active in the Texas Forest Country Partnership. I also suggested that she immediately pursue professional development through both Economic Development Institute as well as IEDC courses.

As stated in my follow-up report from the visit to San Augustine County, this area is really missing opportunity in not promoting tourism to the area lakes. There is also a missed opportunity to recruit retirees to the area. Markets should include the Houston, DFW, Austin, and San Antonio metropolitan areas. Combined populations are in the millions and there are no lake venues as attractive or as large as those in the San Jacinto and San Augustine Counties and surrounding areas. Infrastructure for this type of economic development is minimal and through lodging and restaurant sales tax programs, the visitors would foot a large part of the bill for development.

While Christi already has a very long title, I would suggest that it include the term “economic development” somewhere. This is a big part of her job duties and is ongoing regardless of disaster recovery activities going forward.

In my opinion, Christi Sullivan is an outstanding addition to the DETCOG team. Lonnie Hunt has made an excellent hire here!



Refugio County
Economic Recovery Program
November 13-16, 2018

Report Outline

1. Introduction/Historic Background
2. Observations/Challenges
3. Housing Market Studies
4. Thoughtful Suggestions

1. Introduction/Historic Background

Background Information

Refugio County, Texas is located approximately midway between the Cities of Corpus Christi and Victoria in the south east portion of the state.

Refugio was founded as New River County in 1858 but was renamed Refugio County in 1861. The county has a population of approximately 7,500 people and covers 294 square miles. Refugio County is home to the Town of Refugio (county seat), Town of Woodsboro, Town of Bayside, the City of Austwell and the unincorporated community of Tivoli.

Adjacent counties to Refugio include:

- Victoria and Calhoun Counties, – north and northeast
- Aransas County, Texas – south
- Goliad, Texas – northeast
- Bee County, Texas – west
- San Patricio County, Texas – southwest

The *Strategic Intermodal System (SIS)* is Texas's high priority network of transportation facilities important to the state's economy and mobility. Established in 2003, the impetus of the SIS was to help focus the states' financial resources on those facilities that were deemed most important for inter-regional, interstate and international connectivity.

Refugio County's key SIS connections and their relevant distances include the following items:

Major Highways – Refugio County contains over 40 miles of interstate quality roads. US Highway 77 (the future Interstate 69 corridor) connects the community to Houston, Corpus Christi and to the Rio Grande Valley. US Highway 183 connects the community to the Eagle Ford Shale immediately to the north and provides connection onto Austin.

Rail Service – Rail transportation is provided through Class I Rail service from Union Pacific with track rights given to Kansas City Southern.

Airport – The County is served by Rooke Field Airport which is owned by Refugio County. Corpus Christi International Airport CRP is an airport serving the Corpus Christi, Texas metropolitan area – including Refugio County. CRP Airport is approximately 67 miles via US-77S. The largest airline carrier at CRP is United Airlines.

Seaport – Refugio County is connected to the Port of Corpus Christi via rail or highway. The County is also adjacent to the Port of Victoria's barge canal offering direct connection to the Intercoastal Waterway.

Our Assignment

The International Economic Development Council (IEDC) has been active in post-disaster economic recovery efforts since Hurricane Harvey struck the Gulf Coast in August of 2017.

IEDC has led and taken part in several significant initiatives to assist communities in post-disaster economic recovery and disaster preparedness efforts. Those range from assistance with flooding in the Midwest, to the BP oil spill in the Gulf of Mexico, hurricanes along the East and Gulf Coasts and more natural and man-made disasters that have had devastating impacts on U.S. communities. Not only are these events occurring more frequently, but their aftermath has become more costly. The impacts in terms of physical and economic damage in recent years have been staggering.

In response to the increase in disasters, IEDC has developed a program of disaster preparedness and post-disaster economic recovery directed at economic development organizations, chambers of commerce, local business and trade organizations, and other economic recovery stakeholders.



Consultants James Russell, CECD, and Rick Stein, AICP, received a request through IEDC to assist the Refugio County Community Development Foundation in their ongoing recovery from impacts of Hurricane Harvey which moved over south central Texas in August of 2017. This request included a general community assessment, the completion of Housing studies for the larger communities and providing guidance related to advancing redevelopment efforts and business and residential attraction efforts for the region.

As part of our initial conversation with representatives of IEDC there was considerable discussion related to the *impacts of Hurricane Harvey* on Refugio County and the challenges that resulted from the devastation.

We were also briefed on community concerns about the construction of a *new truck route* that was designed to relieve congestion on US 77 that runs through the Town of Refugio and also impacts the Town of Woodsboro.

Included in our visit to the County were a series of meetings, tours, public meetings and a variety of open discussions with county leadership, local officials, small business owners and residents.

Harvey's Impact

"Harvey started as a typical weak August tropical storm that affected the Lesser Antilles and dissipated over the central Caribbean Sea. However, after re-forming over the Bay of Campeche,

Harvey rapidly intensified into a category 4 hurricane (on the Saffir-Simpson Hurricane Wind Scale) before making landfall along the middle Texas coast. The storm then stalled, with its center over or near the Texas coast for four days, dropping historic amounts of rainfall of more than 60 inches over southeastern Texas. These rains caused catastrophic flooding, and Harvey is the second-most costly hurricane in U.S. history, after accounting for inflation, behind only Katrina (2005).¹

A Major Disaster was declared by President Trump on August 25, at the request of Texas Gov. Gregg Abbott and included Refugio County as eligible for both FEMA Individual and Public Assistance (Categories A-G).

To understand the impacts to Refugio County we also reviewed the National Hurricane Center Tropical Cyclone Report completed by the National Oceanic and Atmospheric Administration, and initially issued January 23, 2018 and modified in May of that same year.

While this report focused on the entire tracking and impact of Hurricane Harvey, there were key components that described the impact of the storm on northern Texas in general and included specific references to Refugio and surrounding counties.



The hurricane reached category 3 status by midday on August 25 while it approached the middle Texas coast and intensified into a category 4 hurricane on August 26. Harvey's center made landfall on the northern end of San Jose Island about 5 miles east of Rockport, Texas

at 0300 UTC (coordinated Universal Time) that day. Sustained winds of 115 kt and a minimum central pressure of 937 mb were estimated for that landfall. The hurricane then made a second landfall on the Texas mainland 3 hours later, slightly weaker due to land interaction, with 105 kt winds and an estimated central pressure of 948 mb southeast of Refugio on the northeast coast of Copano Bay west of Holiday Beach.²

The report also pointed out that rainfall forecasts for Harvey, issued by the Weather Prediction Center (WPC), were the highest on record for any U.S. tropical cyclone event and deserve some comment. When Harvey re-formed in the Gulf of Mexico, the initial maximum rainfall forecast was for 20" in southeastern Texas. These rainfall forecasts were gradually increased to a peak of

¹ NATIONAL HURRICANE CENTER TROPICAL CYCLONE REPORT, HURRICANE HARVEY; 17 August – 1 September 2017, Eric S. Blake and David A. Zelinsky, National Hurricane Center, January 23, 2018

² NATIONAL HURRICANE CENTER TROPICAL CYCLONE REPORT, HURRICANE HARVEY; 17 August – 1 September 2017, Eric S. Blake and David A. Zelinsky, National Hurricane Center, January 23, 2018

40” several hours before Harvey made landfall in Texas, roughly 24-36 hours before the extreme rains began in the Houston metro area. These totals were further raised to 50” about a day before the center of Harvey left Texas.

We also researched locally reported impacts including the information below:

Excerpts from a report issued by NOAA/National Weather Service Corpus Christi, Texas, entitled Hurricane Harvey’s Impacts across South Texas, issued following the Hurricane highlight the following:

- Harvey rapidly intensified from a Tropical Depression to a Major Hurricane in 40 hours.
- Harvey rapidly intensified from a Tropical Storm to a Major Hurricane in 28 hours.
- Tied for 17th strongest U.S. land-falling hurricane at 938 mb.
- Peak 10-meter 1-sec Wind Gust of 150 mph observed at the Rockport Airport @ ~0318Z Aug 26th (Center for Severe Weather Research).
- Peak Storm Surge of 12.5 feet observed at the Aransas National Wildlife Refuge (National Weather Service Storm Survey).

Refugio Truck Route

The Texas Department of Transportation (TxDOT) has conducted a route study along US Highway 77 (US 77) in Refugio County from approximately one mile south of Woodsboro to Lambert Road just north of Refugio. The route study was conducted to help facilitate the future goal of designating this section of US 77 as part of the Interstate 69 (I-69) highway system. In response to Fixing America’s Surface Transportation Act (FAST Act) requirements, TxDOT conducted the US 77 Woodsboro/Refugio Route Study where route options were presented and evaluated for impacts and fatal flaws.

The plans were basically developed to provide an alternate route for freight-carrying trucks to reduce the volume of truck traffic through the City and to provide a safer vehicular experience through the City.

As part of our research we also reviewed two published reports that provide commentary to the impact of highway bypasses to a community. These reports – one from Texas and one completed in Florida – look at the impact to local businesses from a sales standpoint and the other a more full stationed view of the impacts to businesses and community as well.

The Texas study concluded that bypasses do not have positive economic impacts on cities as a whole; high traffic splits and significant separation between a bypass and the original route are associated with rather negative impacts. Moreover, the impact of diverted traffic appears to be more adverse if the traffic levels in the city are small.

The Texas study also maintained that “In light of these findings, transportation planners and cities should carefully consider proposals for relief routes, in order to determine if a bypass is in fact desirable and socially beneficial. There are several non-economic benefits that can accrue to affected populations (e.g., safety and ease of movement downtown), and these need to be given fair weights when balancing any costs of concern.”³



The other report reviewed as part of our work was a report commissioned by Florida Department of Transportation entitled The Impacts of Bypass Highways on Small- and Medium-Sized Cities in Texas. This report was completed in 2011.

This report was included because the local community (Bradford County, Florida) was very similar to Refugio in terms of

population, proximity to larger communities of similar size, and because both communities were very concerned with the potential impact.

One interesting chart included in the aforementioned report compared preconceptions about the impact of a by-pass to small and medium cities with findings from their study. The following information was included as a table in the report:

Table 2. Bypass Effects Preconceptions and Findings⁴

³ THE IMPACTS OF BYPASSES ON SMALL- AND MEDIUM-SIZED COMMUNITIES: An Econometric Analysis; Sivaramakrishnan Srinivasan and Kara Maria Kockelman of the University of Texas at Austin, July 2000.

⁴ Impacts of Bypass Highways on Small- and Medium-Sized Cities in Florida: Enhancing Existing Evaluation Methods December 2011, Prepared for Florida Department of Transportation by Karen E. Seggerman, AICP and Kristine M. Williams, AICP

Congestion - *Preconception: Bypasses reduce traffic congestion on the original route through the CBD*

Finding: In all cases, peak hour traffic through the CBD was reduced. The difference in travel time between the old facility and the bypass will determine how many vehicles will divert to the bypass (System Metrics Group, Inc. 2006).

Freight Movement - *Preconception: Bypasses improve the speed and reliability of freight movement*

Finding: Because the bypass circumvented traffic congestion and traffic control devices, trucks tended to choose the bypass instead of the original route. Thus, travel time and reliability of freight movement improved. The removal of trucks from the CBD tended to improve quality of life in the CBD by reducing noise and allowing the road to be redesigned in a more aesthetic fashion (Handy et al 2000).

Economic Development - *Preconception: Bypasses provide an opportunity for economic development and increased tax base*

Finding: The actual impact of bypasses on the economy of small communities is mixed, although "...from a local officials point of view the combination of enhanced mobility...and newly accessible land provides an opportunity for growth" (Mills 2009). The economies of smaller communities (<2,000 population) are more likely to be adversely impacted by a bypass (Leong 2000).

Sprawl - *Preconception: The new bypass roadway will encourage urban sprawl and adversely impact community character*

Finding: Some bypasses induced urban sprawl, while others seemed to have no impact. The likelihood of sprawl depended on the region's growth rate, the functional class of the roadway, the comprehensive plans in place before the bypass was constructed, and the scale of development permitted near the bypass (ODOT 2002). Faster growing areas experienced some development pressure along the bypass (Weisbrod 2001).

Population Loss - *Preconception: The bypass route will draw away population from the bypassed CBD*

Finding: Bypassed cities did not experience universal population loss. The smallest communities (less than 500) were the most prone to population loss. Larger communities were the least likely to lose population, and some even showed moderate gains (Pettit 2007). In areas with no or slow population growth, little residential development chose to build next to the bypass.

Business Activity - *Preconception: There will be a decline in sales and loss of business activity along the bypassed route, particularly among highway-oriented businesses (gasoline, fast food, etc.)*

Finding: Travel-related businesses tend to relocate to the bypass. Further, total sales for the sector often increased (Srinivasan 2002). Downtown business districts in communities with a well-developed local customer base are less adversely impacted by a state route bypass than communities highly dependent on drive-by traffic (Gillis 1994). Perceptions of bypass impacts on business activity varied by industry. Babcock (2004) found that convenience stores and the motel industry perceived bypasses as negative to their business; whereas truck, auto and restaurant establishments perceived bypasses as positive.

Business Relocation - *Preconception: Businesses will relocate out of the CBD to the bypass route, incurring relocation costs and reducing local tax base*

Finding: Regional retail (big box) and travel-related businesses usually relocated to the bypass route (Weisbrod 2001). Service industries were the least affected by the presence of a bypass and tended to stay in the CBD (Srinivasan 2002). CBDs with a strong identity as a destination for local shoppers were strengthened due to a reduction in traffic delays and exhibited little retail flight (Leong 2000).

Property Values - *Preconception: Property values and occupancy rates of property along the bypassed route will decline*

Finding: No clear consensus was reached during the knowledge search. The overall tax base increased in virtually every circumstance, but the reasons for the increase differed. In some cases the property values in the CBD rose, while in others the CBD stagnated but the loss was offset by increased value adjacent to the bypass (Otto 1995).

Community Support - *Preconception: Residents of the CBD will oppose a bypass due to concerns relating to economic and quality of-life factors*

Finding: Although pre-construction opposition was not uncommon, community opinions on bypasses tended to be more supportive after construction of the facility. As noted by Pettit (2007) in a recent study of Iowa bypasses: "Overall the communities do not blame the bypass for much of anything and instead praise them for having removed traffic, congestion, and pollution from their towns."

Employment Outlook

We have identified three major upcoming projects in San Patricio, Calhoun, and Nueces Counties that will create a significant number of jobs in the Coastal Bend area within the next few years.

In San Patricio County, ExxonMobil and a Saudi Arabian partner SABIC have created a new company called Gulf Coast Growth Ventures. This company has made plans to open the world's largest plastics manufacturing facility on a 1,300-acre site near Gregory, TX. This \$7 billion project has promised to provide 6,000 builder jobs at peak construction, as well as 3,500 indirect jobs providing services and goods during construction. Once finished (2020/2021), the plastics plant will employ 600 permanent workers in the county and surrounding area.

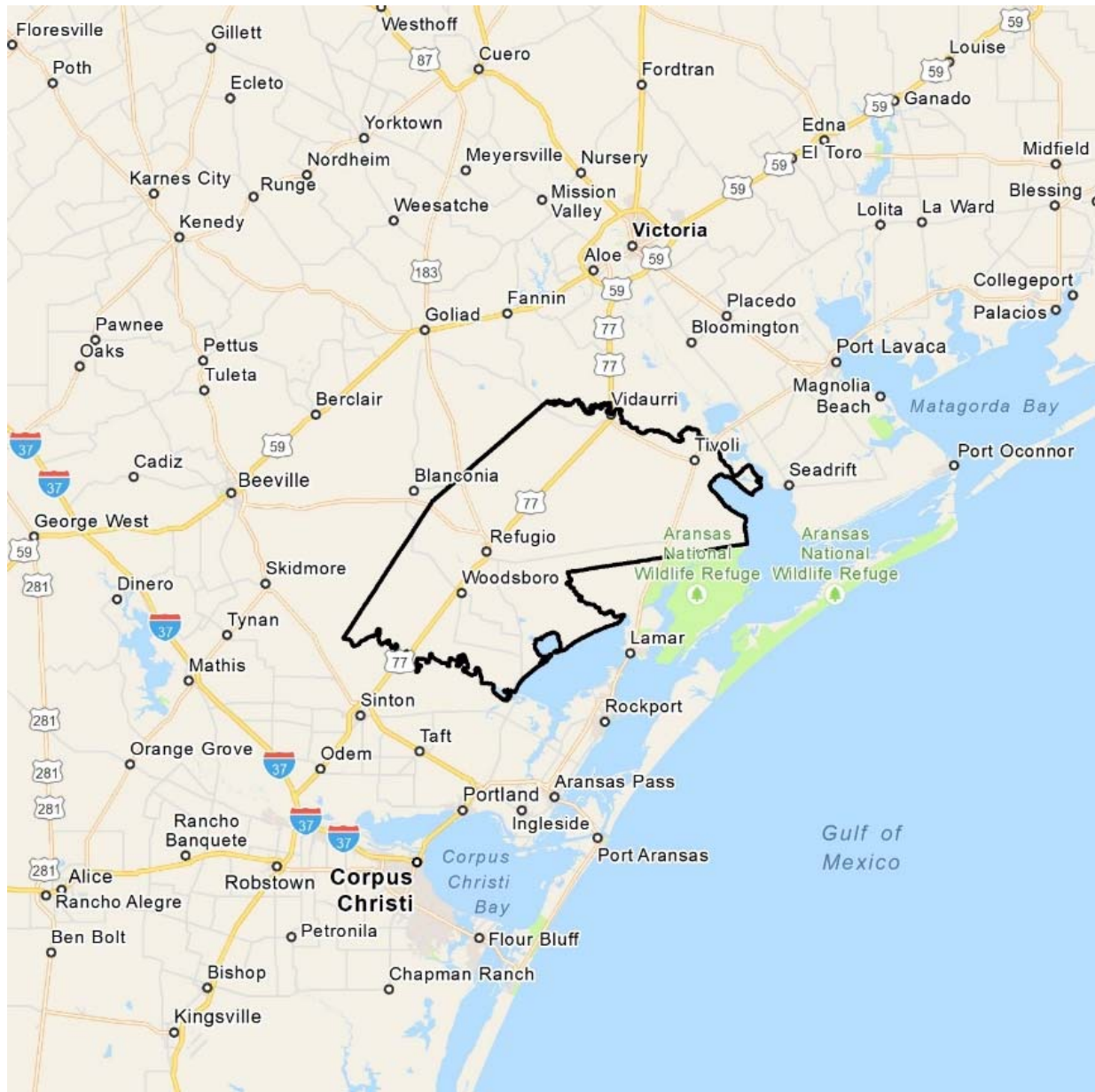
A similar type of project has been planned in Calhoun County. A company called Novus International is constructing a manufacturing facility to produce a livestock feed supplement. The number of construction jobs required was not announced, but Novus has indicated that 65 employees will be required to operate the plant.

The final major project has been announced by the Port of Corpus Christi in Nueces County. The Port has partnered with The Carlyle Group, a global investment firm, to develop a major crude oil export terminal on Harbor Island. This renovation would make the port capable of exporting fully-laden Very Large Crude Carriers, making it the first onshore location in the U.S. that can load carriers that size. The terminal will include the development of two loading docks on Harbor Island as well as additional crude oil tank storage inland. This new terminal will provide thousands of direct and indirect jobs for both construction and ongoing operations.

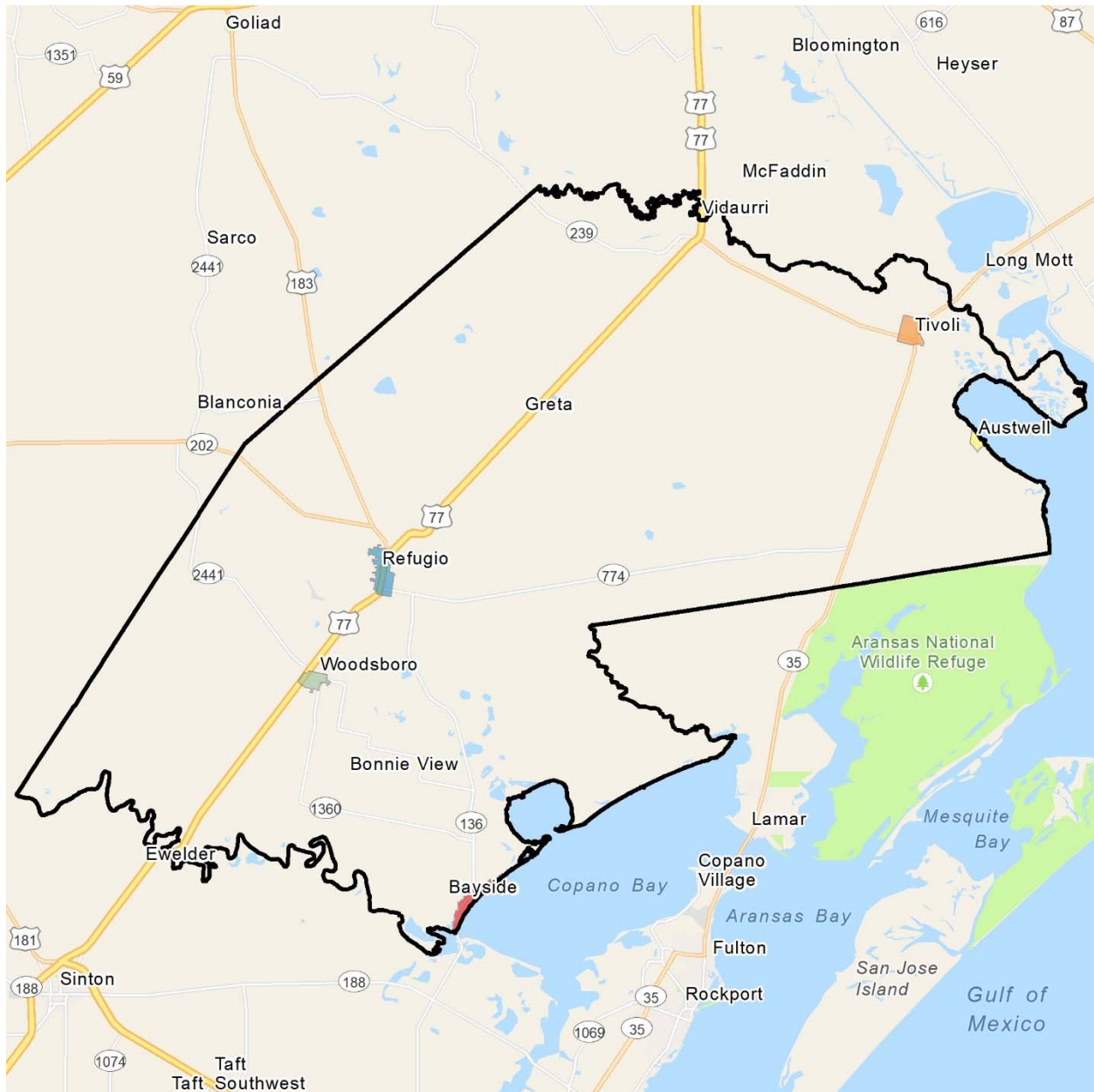
Historic Background

The story of historic growth or decline in Refugio County is perhaps best told via a series of maps and relevant table data. There have been many projects, both large and small, that have taken shape over the last two decades throughout the Golden Crescent and Coastal Bend regions in Texas, resulting in thousands of temporary and permanent new jobs. However, most of the benefits have been accrued by counties surrounding Refugio County and have not occurred within the County itself. To better understand why this is happening, we must first analyze what has happened and where it is happening.

The maps and data on the following pages will be presented in two scales: a small-scale map that allows for the visualization of data for the greater region, and a larger scale that provides a more detailed look of Refugio County.



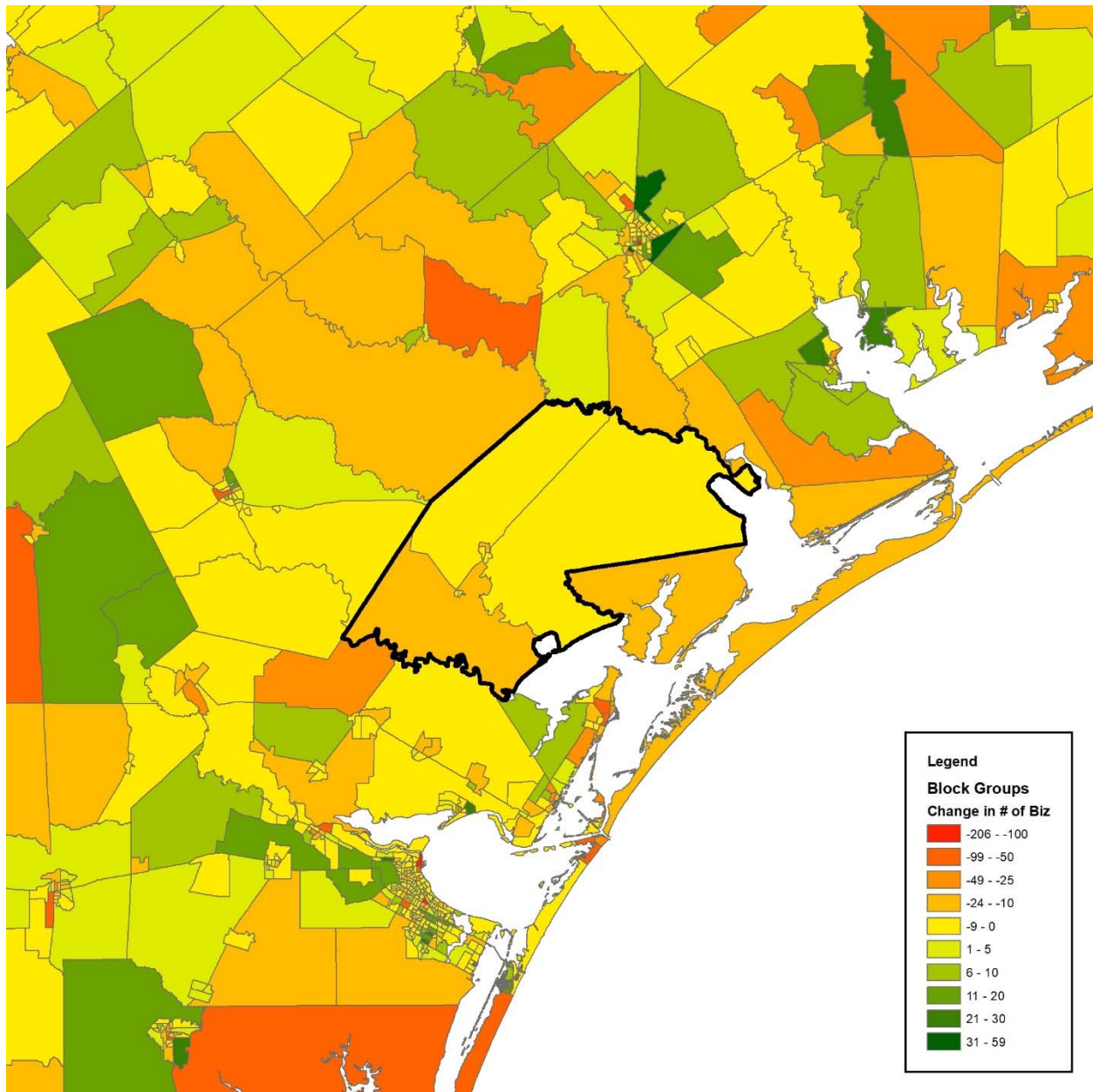
Map 01 – Small-scale Regional Map illustrating the location of major features and points of interest



Map 02 – Large-scale County Map illustrating the location of Refugio, Woodsboro, Bayside, Austwell and Tivoli, as well as U.S. 77 and other local roads.

The previous “base” maps are presented to illustrate where the major points of interest reside. The thematic maps that follow will focus on the *data* and will limit the number of places, roads, and bodies of water to reduce the visual clutter. The data elements are contained within Census Block Group geographies. Block Groups are smaller than Census Tracts and allow for a greater level of detail.

Change in Number of Businesses from 2010 to 2018



Map 01 – Estimated Change in the Number of Businesses from 2010 to 2018 (Regional Scale)

Since 2010, the total number of businesses has increased most significantly in the areas including Corpus Christi, Victoria, Port Lavaca and Point Comfort. The net change by industry classification is listed in the following table:

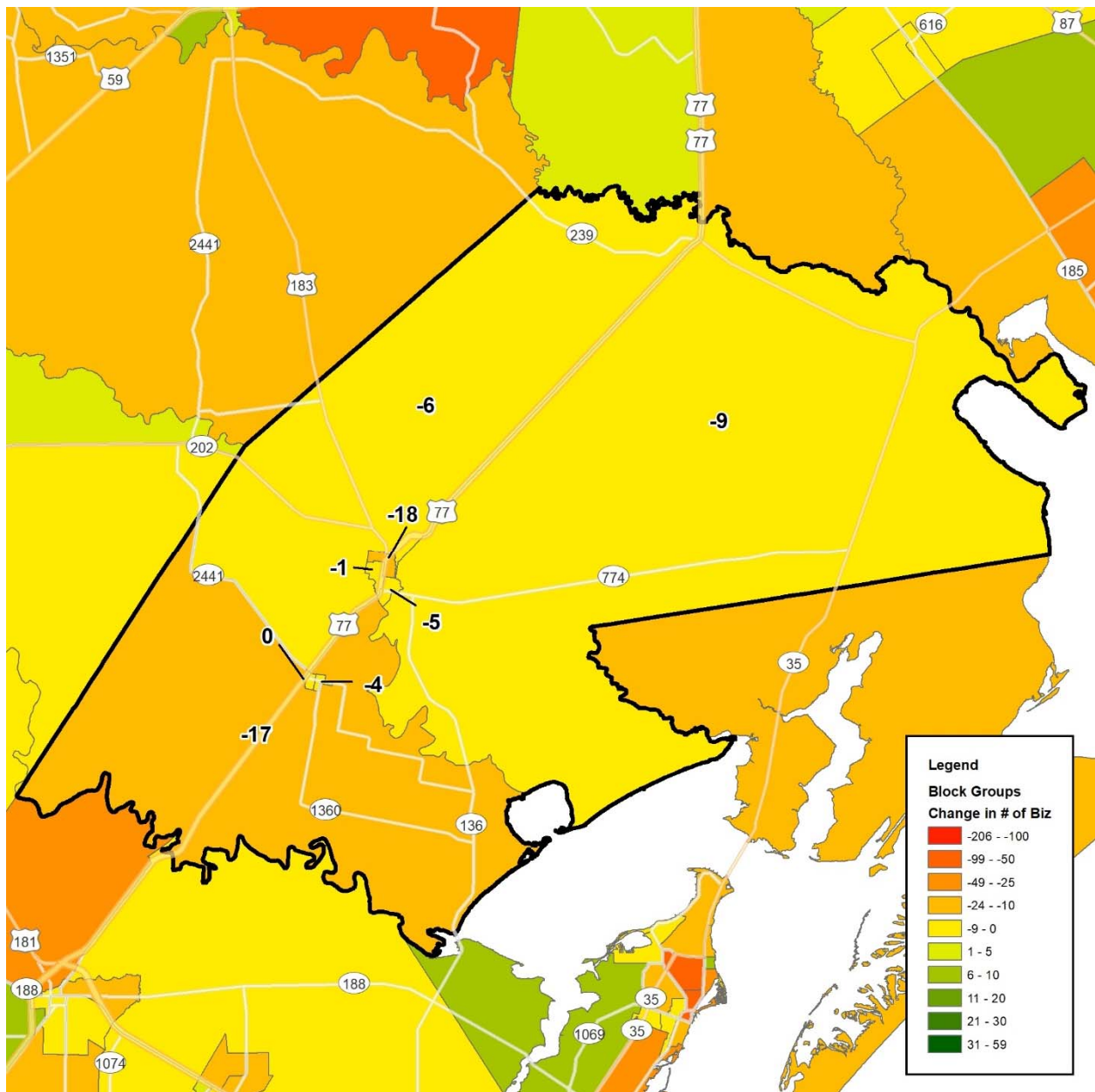
	2010	2018	Change
Agriculture, Forestry, Fishing and Hunting	383	358	-25
Mining, Quarrying, and Oil and Gas Extraction	319	288	-31
Utilities	123	118	-5
Construction	2,636	2,341	-295
Manufacturing	893	820	-73
Wholesale Trade	1,419	1,148	-271
Retail Trade	4,310	3,929	-381
Transportation and Warehousing	886	749	-137
Information	512	542	30
Finance and Insurance	2,142	2,558	416
Real Estate and Rental and Leasing	1,878	1,758	-120
Professional, Scientific, and Technical Services	1,933	1,960	27
Management of Companies and Enterprises	25	46	21
Administrative/Support and Waste Mgmt. and Remediation Services	1,032	920	-112
Educational Services	832	770	-62
Health Care and Social Assistance	2,134	2,091	-43
Arts, Entertainment, and Recreation	602	562	-40
Accommodation and Food Services	2,329	2,401	72
Other Services (except Public Administration)	3,981	3,470	-511
Public Administration	1,660	1,557	-103
Unclassified	538	1,134	596
Totals	30,567	29,520	-1,047

Table 01 – Estimated Change in the Number of Businesses by Industry; 2010 to 2018

The industry data is for the entire region visible on the map. Effectively, it is the Coastal Bend and Golden Crescent regions and their surrounding environs. Over this eight-year period, the total number of businesses has declined. This likely represents business trends that favor consolidation and thus, efficiency.

The industries with the largest employer gains were Finance and Insurance and Accommodations and Food Services – a trend that is reflected nationally. These businesses naturally tend to cluster where people live, which is consistent with where the greatest increases showed up on the map – in population centers such as Corpus Christi and Victoria.

The industries that lost the most businesses were Retail Trade and Other Services. The “Other Services” category includes services such as: repair and maintenance, laundry services, and religious/civic/professional organizations.

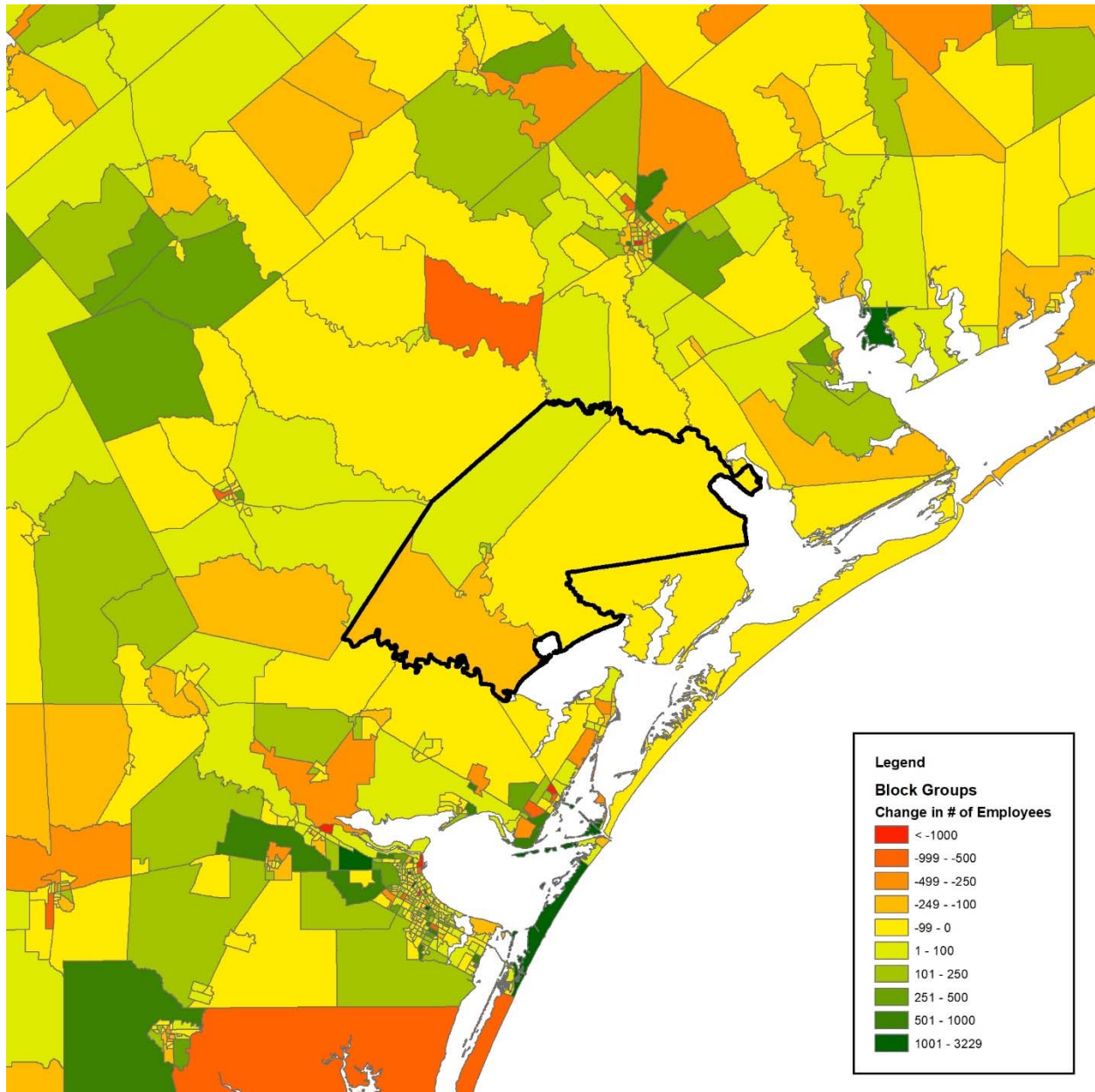


Map 02 – Estimated Change in the Number of Businesses from 2010 to 2018 (County Scale)

Refugio County is estimated to have a net loss of 60 businesses. The decline was comparatively even across the entire County.

The change in the number of businesses at the Refugio County level mirrors that at the regional level. The Finance and Insurance businesses showed a net increase of 14 businesses while Other Services saw a net decline of 15 businesses.

Change in Number of Employees from 2010 to 2018



Map 03 – Estimated Change in the Number of Employees from 2010 to 2018 (Regional Scale)

The concentration of the largest gains in terms of employees is similar to where the gains in total businesses are located – Corpus Christi, Victoria, Port Lavaca and Point Comfort, which makes sense. There are some interesting differences. Although the Portland-Gregory area

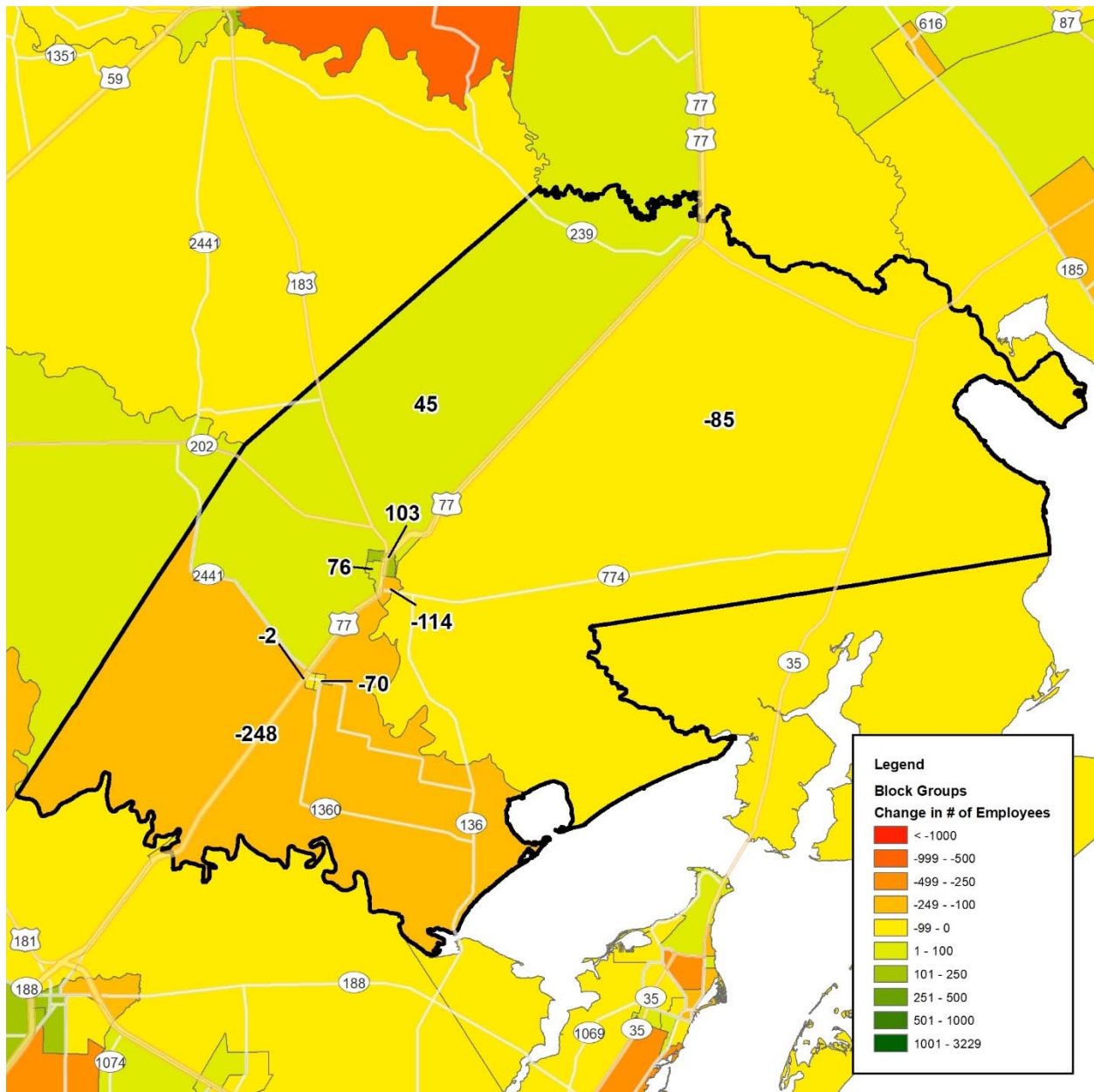
experienced some areas of modest decline in the number of total businesses, the total number of employees increased. These same phenomena also occurred in southeastern Bee County, adjacent to Refugio County.

	2010	2018	Change
Agriculture, Forestry, Fishing and Hunting	1,545	2,116	571
Mining, Quarrying, and Oil and Gas Extraction	4,218	4,872	654
Utilities	1,376	1,723	347
Construction	26,272	27,241	969
Manufacturing	18,509	18,315	-194
Wholesale Trade	16,815	16,307	-508
Retail Trade	40,308	42,881	2,573
Transportation and Warehousing	7,844	7,962	118
Information	4,929	6,292	1,363
Finance and Insurance	10,794	9,895	-899
Real Estate and Rental and Leasing	8,056	8,171	115
Professional, Scientific, and Technical Services	11,766	16,388	4,622
Management of Companies and Enterprises	1,056	455	-601
Administrative/Support and Waste Mgmt. and Remediation Services	7,916	8,685	769
Educational Services	34,366	34,618	252
Health Care and Social Assistance	42,819	46,914	4,095
Arts, Entertainment, and Recreation	4,188	4,474	286
Accommodation and Food Services	30,785	32,184	1,399
Other Services (except Public Administration)	16,765	16,852	87
Public Administration	32,747	30,874	-1,873
Unclassified	1,732	301	-1,431
Totals	324,806	337,520	12,714

Table 02 – Estimated Change in the Number of Employees by Industry; 2010 to 2018

The greatest employment gains in the region are consistent with national trends. Professional, Scientific and Technical Services experienced the greatest employment gains. This includes such services as legal, accounting, architecture and engineering, design, computer systems, scientific research, advertising and marketing, and all forms of related consulting. Wages are typically higher than average within the industry sector as a whole.

Health is expected to continue to grow for at least the next decade as the population ages. The number of health care facilities, however, continues to shrink as services are consolidated into larger out-patient centers.

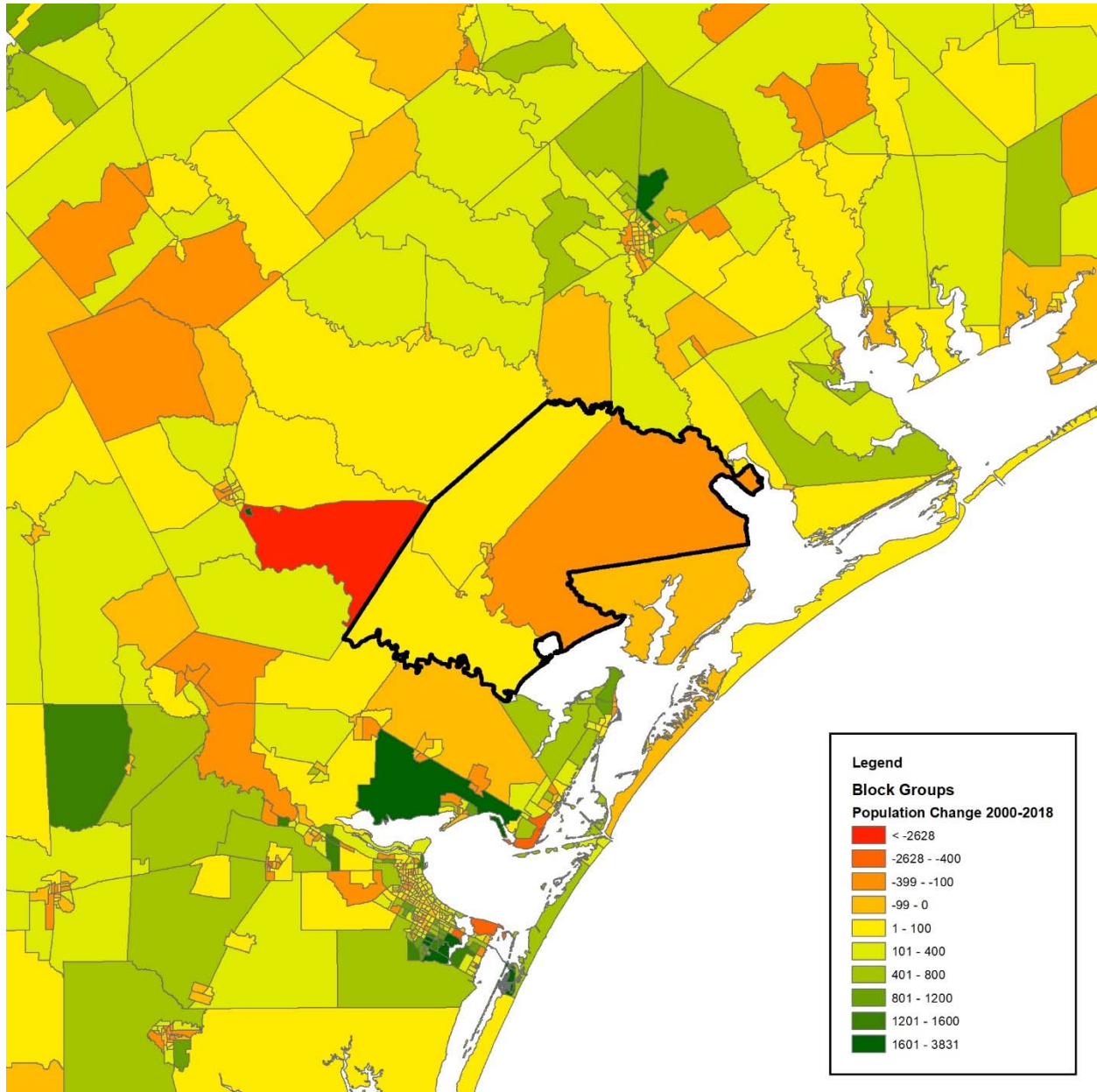


Map 04 – Estimated Change in the Number of Employees from 2010 to 2018 (County Scale)

Refugio County is estimated to have a net loss of 295 workers from 2010 to 2018. The northwest quadrant of the County, however, had a net gain of 224 workers.

The greatest loss occurred in the Educational Services sector which saw a net decline of 148 workers. The greatest gains in employment occurred in Retail (+53) and Health Care (+48).

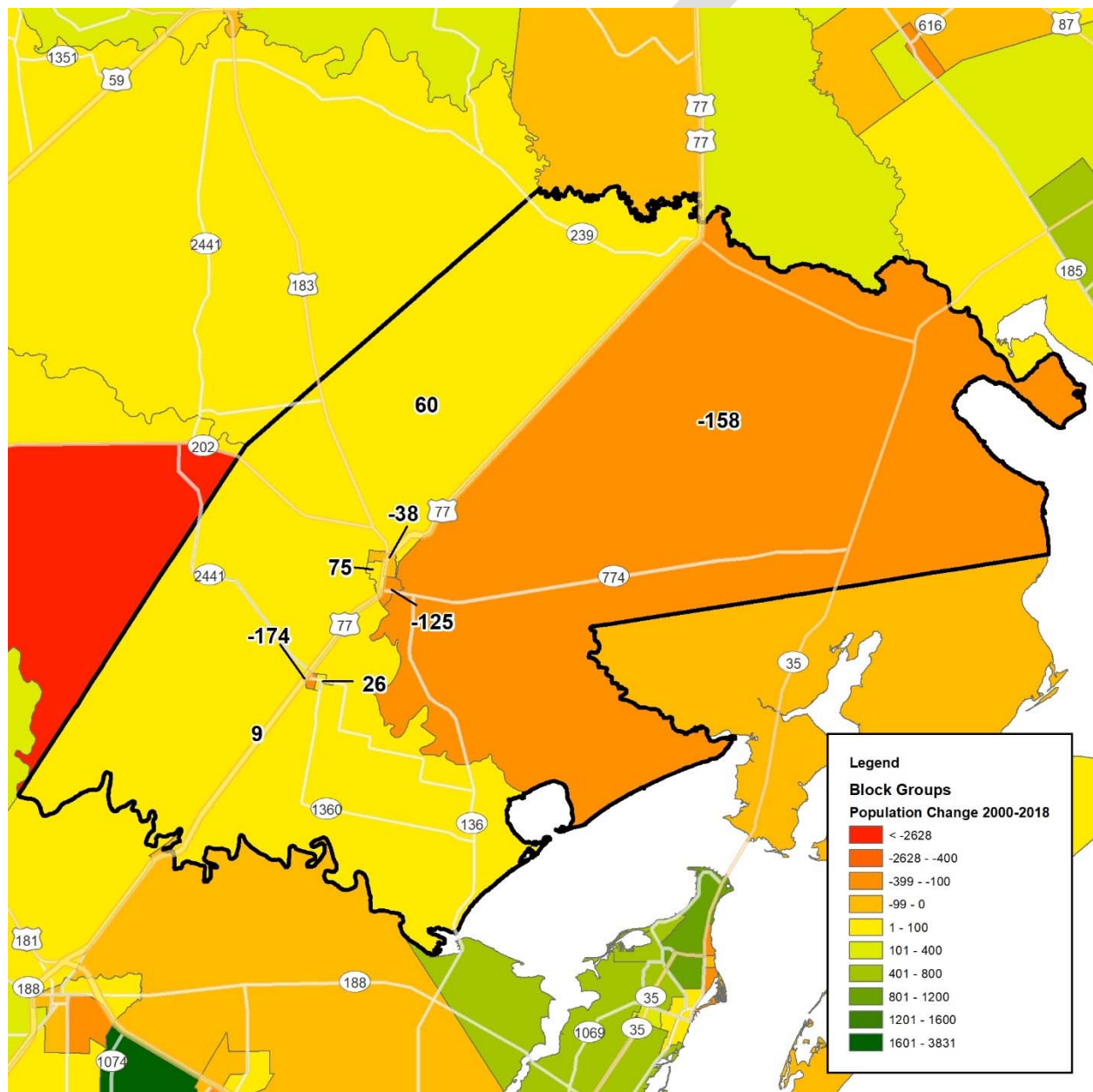
Change in Population from 2000 to 2018



Map 05 – Estimated Population Change 2000 to 2018 (Regional Scale)

The most significant population growth since 2000 has occurred south of Refugio County, in and around Corpus Christi. There has been an estimated net gain of close to 73,000 people in this area since 2000. Respectable gains have also been made around Victoria. Since 2000, this area has realized a net gain of close to 14,000 people.

Please note, the Block Group illustrated in red, adjacent to Refugio County is indicating population loss of 2,628 but this is misleading. Since 2000, the William G. McConnell Prison has been assigned its own Block Group and removed from this larger Block Group.



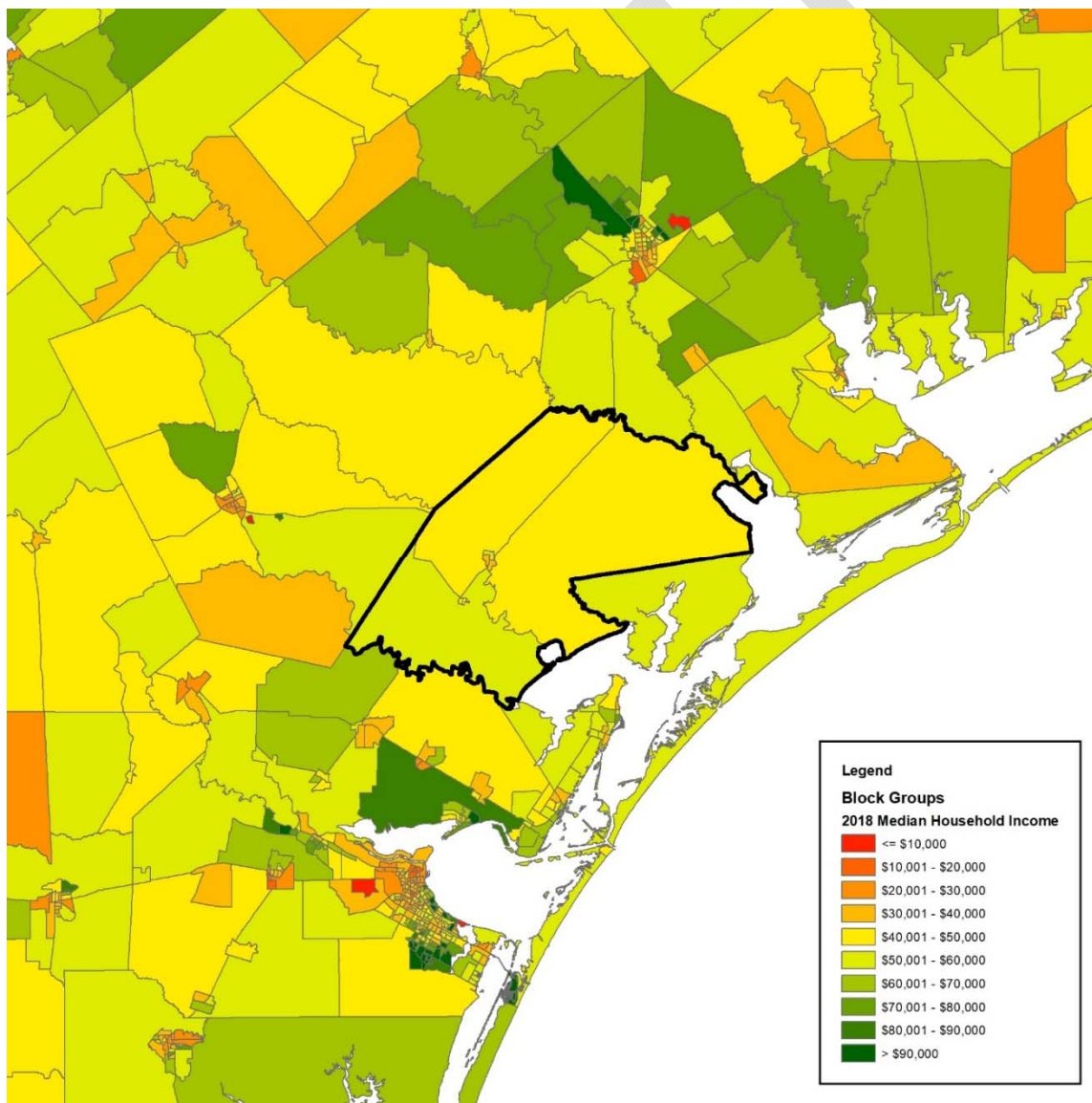
Map 06 – Estimated Population Change 2000 to 2018 (County Scale)

The larger scale of this map allows for a higher level of detail when looking at the entirety of Refugio County. There are effectively three Block Groups that constitute the Town of Refugio. The net change in population among these three Block Groups is -88. The area with the population gain (+75) is primarily the area immediately west of U.S. 77.

Woodsboro effectively consists of two Block Groups. The only area to see an increase in population is on the western portion of Woodsboro. This is also the location of the newest housing, which is not annexed into the Town.

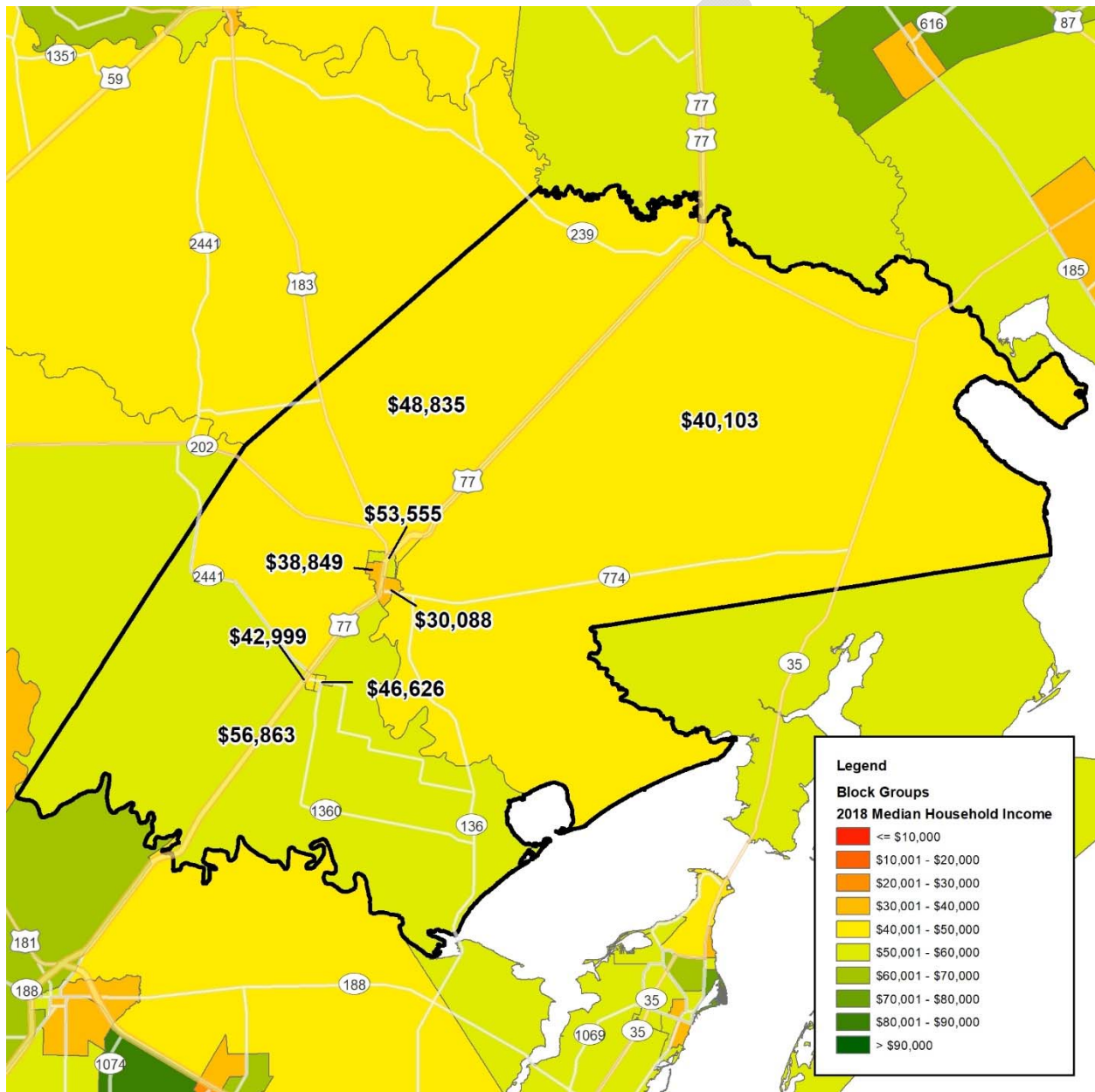
The estimated population loss for the entire county over an 18-year period is 325 people. Keep in mind, this number may not accurately reflect the full impact of the hurricane, but it is close.

2018 Median Household Income



Map 07 – Estimated 2018 Median Household Income (Regional Scale)

For most people, income equals wages. Income can be earned anywhere, but the Median Household Income data point reflects where the household resides. There are two primary takeaways from this map. First, the relatively high median incomes (when compared against the rest of the region) around Victoria are distributed across a rather large area. Compare that to Corpus Christi, which has more businesses and more workers. In central Corpus Christi, incomes are quite low, but even beyond the central city, incomes are not as high or as distributed as those around Victoria.

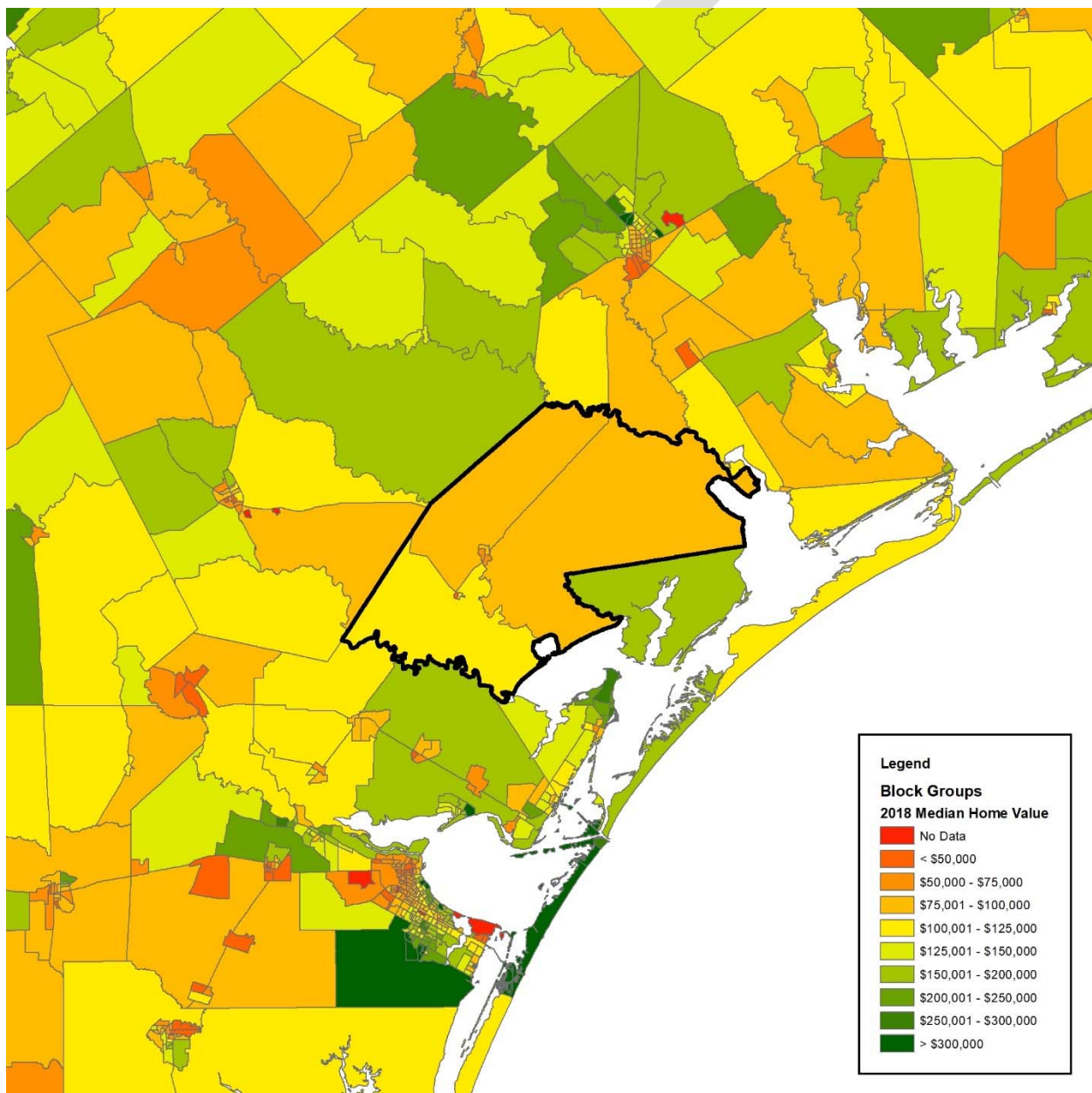


Map 08 – Estimated 2018 Median Household Income (County Scale)

The Median Household Income for the entirety of Refugio County is \$48,129. By comparison, the Median Household Income in the U.S. is \$61,372. The U.S. Department of Health and Human Services has established the 2019 poverty line for a family of four to be \$25,750.

The highest median incomes in the County are in the southern portion of Refugio County and the north/northwest portion of the Town of Refugio. However, incomes throughout the rest of Refugio are low.

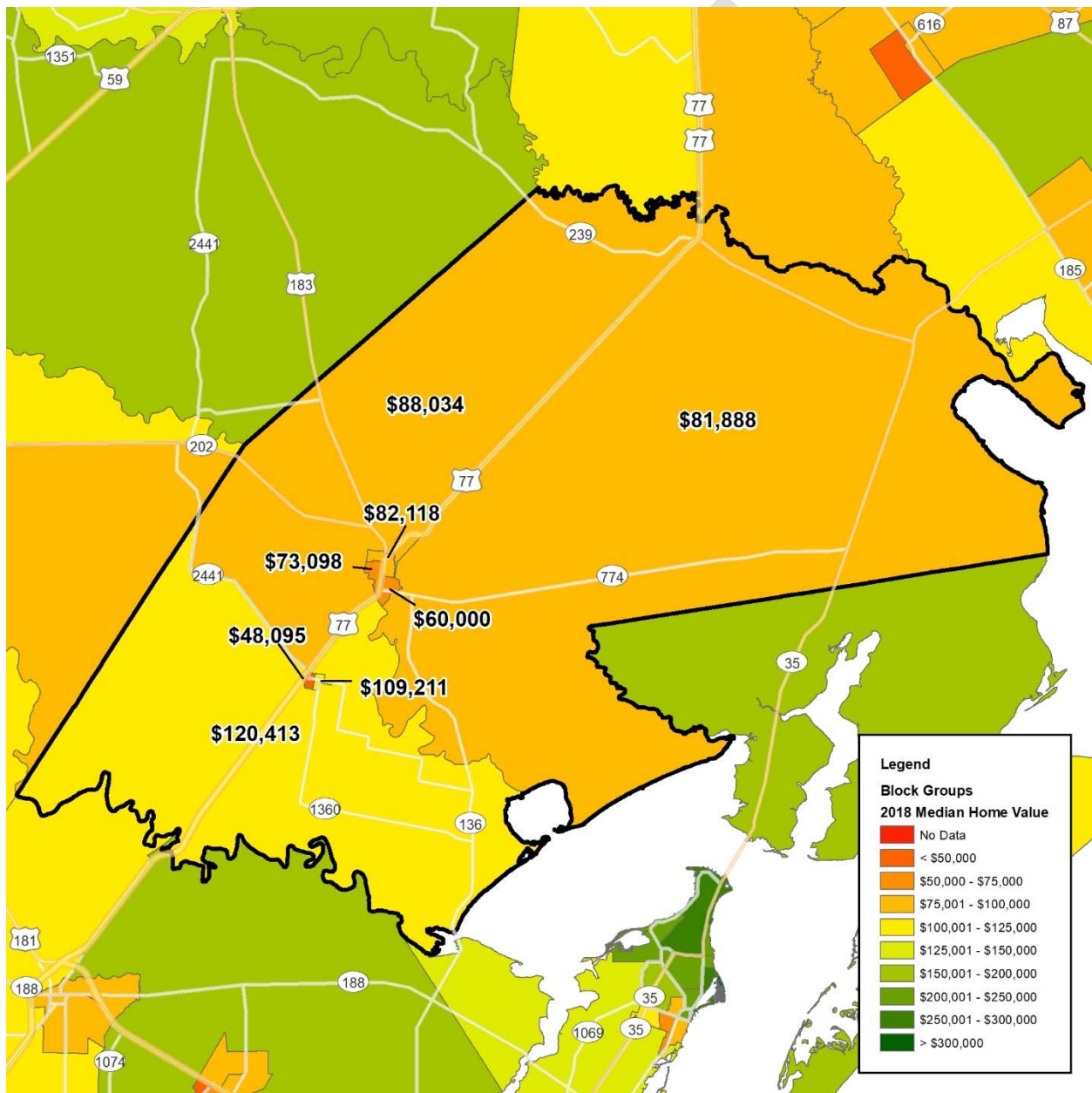
2018 Median Home Value



Map 07 – Estimated 2018 Median Home Value (Regional Scale)

The primary takeaway from this is home values are much higher not just along the coast (which you would expect), but also in rural/exurban and suburban locations as well. Urban cores such as those in Corpus Christi and Victoria are struggling.

The Portland-Gregory-Aransas area is relatively strong – home values are generally between \$150,000 and \$200,000. The same can be said for Goliad County where median home values tend to be closer to \$200,000.



Map 08 – Estimated 2018 Median Home Value (County Scale)

Southern Refugio County (which includes Bayside) boasts the highest overall home values in the County. The relatively new home construction just outside of Woodsboro is likely responsible for pushing the median home value close to \$110,000. The southern portion of the County where values are generally over \$120,000 are consistent with the regional data where home values tend to be higher as you get closer to Corpus Christi Bay.

The entire county has a median home value of \$84,380. By comparison, the median home value in the U.S. is \$225,300. The median home values of the surrounding counties are as follows: Aransas (\$188,379), Bee (\$93,464), Calhoun (\$110,949), Goliad (\$148,301), San Patricio (\$119,744), and Victoria (\$136,332).

Report Summary

As part of this effort we will be sharing our observations about the community, our thoughts about some of the more significant challenges we see facing the community, a snapshot of opportunities that we believe could benefit the County and what we describe as “thoughtful suggestions” that should be considered as a jump start to creative thinking!

What this report is NOT

- This report is NOT an answer key. It is not designed to give you a step by step process to solve specific issues that need immediate attention or action.
- This report is NOT based on a detailed review of plans, specifications, extended research, surveys, etc. It is based on observations, discussions and limited reading.
- This report is NOT an attempt to throw any person, organization, political subdivision, business owner or resident “under the bus”. It is about providing you an outsider’s opinion on what and how we perceive the community and what we were able to learn in a limited amount of time.

This study is NOT a completed project but rather the beginning of your process to decide what steps you choose to take to enhance your community.

2. Observations/Challenges

The following is a summary of our visits and our general observations and impression of the communities we toured:

Refugio County

Our first meeting in the County was held on Tuesday, November 13, when we met with County Judge Bobby Blaschke. The Judge outlined many impacts of Harvey that continued to plague the County as well as what has been happening since the Hurricane. We also attended a monthly County Recovery meeting organized by the Judge that included the mayors (or their representatives) of the area communities, representatives from several non-profits (Habitat for Humanity, Refugio County Community Development Foundation, etc.) and other community leaders.

Both the discussions with Judge Blaschke and the Recovery Committee meeting provided insight to work being done as well as some of the key community concerns that we would learn more about during our visit. Included was a brief review of the current FEMA eligible projects in the county which represents 85-90 buildings (including the Courthouse), that a major focus of the County was on preparedness. In essence, the Judge pointed out that there was really no facility to handle the storage, people, building materials, etc. to help manage catastrophic events like Harvey.

The impacts of housing – both what was lost and what is needed - was discussed in detail. Specific comments such as finding appropriate housing for the School Superintendent and teachers were mentioned as well as discussion that there were similar shortages in low income housing as well.



Big issues discussed ranged from inadequate infrastructure, high cost of insurance, financial challenges of local governments, ownership issues which impacted FEMA qualifications, and even the capacity of local government to implement programs aimed at improvements were shared.

We also heard a brief impact of Harvey on the more rural and agricultural sections of the County. As part of the storm over 20 miles of fence line was destroyed, 41k acres of damage were sustained to the cotton crops (approximate 20,000 bales lost), 34k acres of grain sorghum, 4k acres of corn and 4k acres of hay were lost.

As part of the discussion on preparedness it was stressed that the County (and State) need to help provide for an animal supply point (feed, etc.) for emergencies.

Challenges to the local water systems was also introduced including challenges with high findings of arsenic levels in the Gulf Coast aquifer system and specifically in the Woodsboro system.

A follow-up review of a study commissioned by the Texas Commission on Environmental Quality and completed in August of 2018 identified the highest concentrations of groundwater arsenic in Texas as associated with the Gulf Coast aquifer which is the major source of well water in Refugio County. The same report identified the Town of Woodsboro of having 11 quarters of violations impacting approximately 1494 residents.⁵

The U.S. 77 bypass is a concern among many business owners and residents alike. As of this writing, it appears the Texas Department of Transportation is leaning towards a realignment that would place the bypass on east of Refugio. This path would have the least amount of impact on existing homeowners. However, regardless of where the bypass is built, business owners whose properties are located along Alamo Street (U.S. 77) are concerned that the rerouting of traffic will result in less business activity.

Visit with the City of Austwell

On the morning of Wednesday, November 14, we met with Mayor Mary Canales of the City of Austwell. She informed us that Hurricane Harvey had damaged every single housing unit in the city. At the time, there were 125 active water meters and 15 vacant homes with no active water metering.

Mayor Canales expressed frustration with FEMA regarding payments to homeowners. "Each time a homeowner makes an improvement (to make the home habitable), FEMA has to reevaluate and change their allocation amount," the mayor stated. The process can be tedious because homeowners first need to fix the major things just to make the house habitable before they can even consider fixing the entire house.

⁵ Assessment of Arsenic in Groundwater and Water Supply Systems in Texas, Robert C. Reedy, P.G., and Bridget R. Scanlon, P.G., Bureau of Economic Geology Jackson School of Geosciences, University of Texas at Austin, August 2018, Prepared for the Texas Commission on Environmental Quality.

The City's Community Center/City Hall is the de facto hub of Austwell. This is where residents can pay bills, talk to the Mayor, and rent or borrow the use of the facility for recreation or general purposes. During our visit, there was a steady stream of residents in and out of the Community Center.

There are no businesses in Austwell. Residents generally travel to nearby Tivoli (6 miles), or as far away as Port Lavaca (27 miles), Rockport (33 miles), or Victoria (39 miles). Because there are no businesses in Austwell, and there are limited options in Tivoli, access to fresh foods and common grocery items is limited. "It's easy to be overweight here...especially when you're poor. You have lots of access to cheap calories."

The lack of businesses means there is no sales tax contributing to the City's revenue. In fact, revenue is limited to property taxes, water bills, and fees associated with renting the community center and City Park.

There are no full-time doctors or nurses in Austwell or Tivoli but there is a once per week health clinic in Tivoli. Austwell does not have a school. Tivoli, which is unincorporated, is home to the local elementary and high school. Approximately 25 school age children currently live in Austwell.

Austwell has a lot of seasonal residents. According to the 2010 Census, 36 of the 55 vacant housing units were for seasonal use. The Mayor described some tension between the full-time and seasonal residents, especially after Hurricane Harvey. This is exemplified by discontent with a seasonal resident who built a new home on stilts as a means of protecting themselves from flood waters.

Mayor Canales believes there are opportunities to provide rental housing to workers that are commuting to Dow Chemical/Union Carbide in Seadrift (15.5 miles) and Formosa Plastics Corporation in Point Comfort (34 miles). She believes there are lots of people that drive up from Corpus Christi (which is 63 miles from Austwell) to these jobs. If this is true, then workers that live in Corpus Christi are commuting 72 miles to Dow Chemical/Union Carbide and over 90 miles to Formosa Plastics. She thinks this rental strategy might work because she is aware that the rental market in Tivoli and Bloomington is currently housing some of these workers where in some cases garage apartments are renting for as much as \$1,000 per month. Please note, we were unable to confirm such rents, but we did identify an RV for rent in Bloomington for \$500/month, a three-bedroom home for \$1,150/month, and several RV and cabin rentals starting around \$170/month.

There is a little-used RV park on the western edge of town that is owned by the City. The RV Park has full electric, water, and waste hook-ups. The RV Park has no advertising or marketing budget and is thus hardly used. The mayor believes the park could be used for temporary

housing for construction workers in Seadrift, Port Lavaca, Port Comfort and Port O'Conner, or even full-time workers at the nearby chemical, oil/gas, and plastics plants.

The RV Park resides in the same area as the city park and the post office. The city park was donated to the City on the condition that it remains a park in perpetuity. The city park does not get used often but the Mayor believes building a basketball court and maintaining the baseball diamonds would increase the use of the park.

Hurricane Harvey destroyed a popular pier in Austwell. Refugio County owns the land the pier was on. After the pier was destroyed, the County removed the only portable toilet from the park by the pier. There does not appear to be any historic pier usage data, but the Mayor believes the rebuilding of the pier could prove to be a catalytic project. In addition to a reconstructed pier, the Mayor would like to see park benches and picnic tables, and a fish cleaning table in the areas near the water and the pier. She envisions folks coming down on weekends to fish and picnic, while food trucks set up shop for the day to service the crowd.

The Mayor thinks there might be a need for some form of age-restricted housing such as independent and assisted living. We pointed out that while there may be people that could indeed benefit from this type of housing, there are likely not enough age-qualified people in the area to garner developer interest. In fact, current population estimates indicate there are around 35 people living in Austwell that are age 65 or older.

The quality of the utility infrastructure is mixed. Cellular phone coverage appears to be decent. Anecdotally, we were able to send and receive phone calls in addition to connecting a laptop to the cellular data network.

Electricity is available throughout, although in places such as the park, it would need to be brought down from the pole. The City's 30,000-gallon water tank needs a new safety cage. The City's current water usage level is between 15,000 and 20,000 gallons per day.

Their sewage permit is for 60,000 discharges per day which is more than adequate for their current daily discharge levels which are running between 10,000 and 15,000 per day. They need a new gauge for the ground storage tank as well as new manhole covers. They also need a new backup generator for the sewage and water pump. Following Hurricane Harvey, the City requested a new generator, but they were denied because of the volume of similar requests.

Lift stations are uncovered. Every time they receive three or more inches of rain, the water infiltrates the sewage system, and everything stops working because they also do not have a backup generator.

Visit with the Town of Bayside

During the afternoon of Wednesday, November 14, we met with Mayor Sharon Scott of the Town of Bayside. Bayside bore the full brunt of Hurricane Harvey as the eye of the storm passed directly overhead. Mayor Scott told us that Hurricane Harvey had damaged 95 percent of the town's homes. At the time of the 2010 Census, there were 325 residents. Just prior to the storm the count was down to 296. The total population today is less than that, but it is unclear what the exact number is.

The Town currently has 186 active water accounts, 15 to 20 of which are believed to be seasonal. Some people are paying for water even though they cannot live in their home. The 2010 Census counted 253 housing units. Hurricane Harvey destroyed at least 40 of these, while between 60 and 70 are uninhabitable – this puts the total, habitable housing unit estimate closer to 150. The Mayor estimates that 60 to 70 percent of the homes were uninsured when Hurricane Harvey hit.



Most residents in the Town of Bayside are either self-employed or do odd jobs like mowing yards or harvesting crabs. Prior to the storm, the Town did have three businesses; a sandwich shop was destroyed (and is not coming back) while the other two businesses are a nursery and a convenience store which has the only functioning gasoline pumps in town. Please note, during our visit we observed the convenience store was doing a brisk business both at the gas pump and within the store. We personally stopped at the store several times. The Mayor has been told the convenience store would like to expand but is waiting on approval from FEMA.

Bayside is within the Woodsboro Independent School District which means the school is approximately 20 minutes away. The Mayor estimates there are 15 school-age children in Bayside.

There are two privately owned RV parks in Bayside. They accommodate seasonal and vacationing users as well as temporary worker housing uses.

Infrastructure is perhaps the Town's greatest need for long-term stability and/or growth. The Town's well has the capacity to serve 500 homes, but the entire water system needs improvements. They do not have a wellhead protection plan and because they only have a single well, if something goes wrong, like a spill or the well runs dry, they're in trouble. The water and sewage pipes are exposed in many places and are therefore vulnerable to damage via debris flows during flood events.

The area by the highway (Texas 136) is one of the areas that could likely support several businesses, but the water is not currently extended out to the highway. Like Austwell, Bayside needs a permanent generator for the sewage lift stations.

The most obvious need are the Town's streets – they're in terrible shape. You cannot safely operate a motorized vehicle at speeds greater than ten miles per hour. The streets are uneven at best and contain potholes or are missing entire sections at worst. The Mayor stated, "no one seems willing to buy lots until the streets are improved." In other words, you can't expect people to invest in the community until they see tangible evidence that the community is investing in itself.

Land management is another significant issue facing Bayside – approximately 70 percent of the physical area of the Town is comprised of empty lots. Several decades ago, ownership of single lots within Bayside was tied to the sale of five-acre tracts just outside of town. If you purchased one of these five-acre tracts, you were awarded one of these single lots. This is a major problem for several reasons. For many of these property owners, there is no motivation or incentive to maintain the small lots. Bayside has filed liens on several of these properties due to lack of upkeep, but they are currently stalled in court. Texas law does have a provision called "Adverse Possession," in which anyone may place a fence around an empty lot and maintain the property. After five years of maintaining the property, you may claim the property for yourself.

Bayside does have tangible assets in the form of a pier and its associated waterfront park, but the park needs upgrades like lighting both within the park and on the pier. Hurricane Harvey created several "washouts" in the areas closest to the water and as a result, tractors cannot get down there to mow and maintain the area. This means there is no water access other than the pier.

Bayside owns a boat ramp on its southern side, but the ramp is currently not functional.



“There are a lot of great things we could do,” said the Mayor. “We just don’t have the money.” Lack of money – not lack of vision – really is the problem. At the time of our meeting, Bayside had not yet received any money from FEMA, although they have approved stop sign replacements. General Land Office (GLO) funds could be used to fix the streets, but at this point Bayside has not received any guidance or money. The roads are beyond repair. They need to be completely replaced. Our rough estimate is there are between 11 and 12 miles of streets that need replaced.

Mayor Scott told us that she gets a lot of inquiries for rental properties, but they estimate only six to ten percent of Bayside’s homes are rentals. This is consistent with the 2010 Census in which 19 homes were counted as rentals (7.5 percent of all housing units) and 2018 estimates in which 23 homes are rental (9.1 percent).

This spring, the Mayor expects a permanent food truck to set up shop near the park and she is hopeful that eventually it will convert to a permanent “brick and mortar” business within five years. Only time will tell.

Visit with the Town of Refugio

During the morning of Thursday, November 15, we met with Mayor Wanda Dukes of the Town of Refugio. She estimates that 70 percent of the town’s structures were damaged in some way. She does not know how many residents were displaced as a result of Hurricane Harvey. She estimates Refugio lost 245 households but eventually gained another 206, some of which were displaced Bayside residents.



The Town has three subsidized multifamily housing projects. Among those projects, there are 48 subsidized units under repair. Not all projects are entirely subsidized. The Mission Oaks Apartments on Swift Street are the result of Low-Income Housing Tax Credits (LIHTC). As of this writing, we do not have a list of the County’s tax delinquent properties but based on our conversation, we suspect there are many.

We estimate there 750 single-family homes functioning as rental properties. After Hurricane Harvey, good data is hard to come by, but this estimate indicates there has been a significant increase in the number of single-family home rentals since the 2010 Census when the rental

housing unit count was a total of 391 (includes all types of rental housing units) or 35.5 percent of occupied housing units.

LNV Inc. (engineering) has the most accurate assessment of the condition of all housing units. In addition, GrantWorks may have an idea of how many buildings need to be demolished. The Town itself has no idea.

The Town has several assets including the local Refugio Independent School District. The School started renovating its three buildings prior to the hurricane and that work continues, albeit behind schedule. The local school system is one of the Town's largest employers and school athletics are often the focal point of activity during the school year. Like many Texas towns, football is the primary source of entertainment in the fall.

Approximately 35 percent of the population age 18+ have a high school diploma or equivalent as their highest level of educational attainment. Conversely, approximately 19 percent have attained an Associate, Bachelor's, or Graduate/Professional degree according to 2018 estimates.

Refugio has three city parks that vary in size and quality. The largest park – Heritage Park – contains several baseball diamonds that receive a lot of use.



There is currently one RV Park with 15 slots. There are plans for a new expansion to this RV Park as part of a partnership with the Rebuild Texas Fund – a non-profit funding organization whose intent is to work with communities for up to three years after the storm. The new addition is supposed to be more upscale with amenities such as a shower and dog park. The dog park would be for the use of the entire community, not just the residents of the RV Park. The new addition to the RV Park is slated to go to bid soon and could be online as early as late summer, 2019.

Like many Texas towns, Refugio's fortunes are closely tied to the boom and bust cycles of the oil and gas industry. The industry is the one of the larger employers in the region but it's the businesses that are indirectly impacted (auto repair, food service, local retail, etc.) that bears

the brunt of these bust cycles when they come. Other large employers in Refugio are the hospital and Refugio County itself.

According to Mayor Dukes, “everyone that wants to work, is working.” Many of the jobs are in the service sector. Anecdotally, we are told the hotels and motels are having a hard time finding people to work. “There are people, but they don’t seem willing to work (for the prevailing wages).”

We are told each business in town is owned by separate owners, which can make negotiating for property improvements or sales, extremely difficult. Mayor Dukes told us about a couple of business owners whose properties were heavily damaged and are no longer in business. Refugio would like to see the properties either demolished, improved, or sold, but the property owners are unwilling to do so.

There is currently one pharmacy and one grocery store in town. There used to be more options before the hurricane. The grocery store – HEB – is smaller than most grocery stores, even for a small town. Mayor Dukes estimates that 50 percent of Refugio’s residents utilize this HEB location as their primary grocery store. Refugio County does provide transportation services to the elderly and those without their own cars, to and from places like the grocery and hospital.

There are scant few dining and entertainment options throughout the Town. We are told a seafood restaurant called “The Gumbo” is the only place to go for “fun.” This is despite a historic downtown district that is ripe with “old Texas” character in charm. While this district may contain a lot of character, what it lacks is businesses that take advantage of it. There is no signage or branding associated with Refugio’s downtown.



All healthcare is administered at the Refugio County Memorial Hospital. Some of the better wages in the County are associated with jobs at the hospital. However, it has been difficult keeping doctors at the clinic. There is a general lack of better housing options for hospital employees. As such, employees generally live 30 to 60 minutes away and commute daily to work.

Perhaps Refugio’s most pressing issue is the overall lack of quality affordable and market rate housing. Homes with price points between \$100,000 and \$200,000 are considered very expensive and out of reach for most people. The home availability and affordability problem is

cyclical and institutional. Prospective homeowners have a hard time getting qualified (by a lending institution) to buy a home due to income qualifications and/or the lack of a solid credit history. There are currently three banks and one credit union in Refugio.

There is no design review process in Refugio or any zoning for that matter. As such, there are no restrictions on things such as hazardous materials. In theory, you could open a dry-cleaning business anywhere in town, including within a primarily residential neighborhood. The only apparent development restrictions are associated with building within a flood plain, which is disallowed unless they meet the flood zone provisions.

When we asked Mayor Dukes about the challenges facing her constituents, she said she mostly hears complaints about the water rates. Although the Town recently closed a public pool due to high costs and low usage, the residents have expressed an interest in the increasingly popular “splash pads.”

Refugio’s infrastructure is of varying quality. There are drainage issues associated with the industrial uses in the northwest portion of the Town and the new housing in the southeast quadrant. Refugio’s wastewater treatment facility (originally built in 1930) has a capacity of 0.5 million gallons. The sewage system has five lift stations but according to the Mayor, the sewage system needs a lot of repairs. Water service is Refugio’s primary source of revenue, followed by sales taxes. They currently have a water treatment plant that has not been operational since the hurricane, so in theory, this excess capacity could be sold. Refugio’s solid waste management is performed by Republic because it is more cost effective to outsource this responsibility, than to handle it in-house.

The concrete streets of Refugio are original and date back to the 1930’s. Many, if not most of these streets need repair or wholesale replacement.

Visit with the Town of Woodsboro

During the afternoon of Thursday, November 15, we met with Mayor Kay Roach of the Town of Woodsboro. She estimates that prior to the hurricane, there were 800 households in Woodsboro and after the storm there are now around 750 households. We should note, the 2010 Census placed the household count at 564. Recent construction of new single-family homes has taken place outside the city limits where the home owners pay a water tap fee, but the property itself is not annexed into the Town of Woodsboro.



Property owners who incurred damage as a result of the hurricane are having trouble finding help because many did not have the property in their name and/or had no homeowners insurance.

There are no multifamily housing options in Woodsboro. According to the 2010 Census, there were 157 single family homes being utilized as rental properties (28 percent of occupied-housing units). Estimates for 2018 put that number at 178, but the hurricane most certainly affected this market. The rental stock is described as being of poor quality and substandard. There is a privately-owned RV park in Woodsboro that was originally set up for hurricane volunteers. The owner has been buying RV's and renting them – effectively functioning as a multifamily rental project.

Like many Texas cities and towns, Woodsboro has no zoning, but the Mayor wants to change that. In the fall of 2018, the Mayor unveiled a plan to apply zoning to encourage commercial activity along the Town's two primary corridors – U.S. 77 to the west and Wood Avenue (including the town square) which runs slightly northwest to southeast through the center of Woodsboro. The proposed zoning was met unfavorably by many residents, but the idea is well thought-out and warranted in our opinion.



Woodsboro has a traditional town square which is actually located on the western side of town, less than 1,000 feet from U.S. 77. According to the Mayor, there are about three property owners around the entire square. Please note, when we examined the parcel data for the County, we identified 12 property owners in addition to the Town

itself, who hold property that fronts the town square. Some of those properties are held by LLC's whose ownership is not immediately known. The Mayor has indicated there may be some willingness among these property owners to sell or invest (improve) their properties.

The Woodsboro Independent School District is geographically quite large, and serves communities as far away as Bayside, and is the home district to over 400 school-age children.

The schools recently constructed multipurpose “domes” which are capable of withstanding winds up to 200 miles per hour.

Although the recent school construction may be capable of withstanding the next hurricane, much of Town of Woodsboro is not. Jose De Leon – construction services manager for LNV Inc. – believes the potential for wind damage is high throughout Woodsboro because they do not have a code enforcement officer. In fact, the Town employs just ten full-time staff, including police officers.

The Town’s infrastructure, like most of Refugio County, needs upgrades and repairs. According to Mayor Roach, “the roads are bad ...water filtration is an issue ...there is nothing on the north side of town that allows water to flow (during heavy rain events) ...and the wastewater plant is on private property through a handshake agreement.” Mr. De Leon stated that land acquisition will be key for wastewater management in the future. Unlike Austwell and Bayside, Woodsboro does have a wellhead protection program.

There are several old gas stations with tanks still in the ground. These will need to be removed before any new development can take place on these properties.

There are around 30 businesses, including two small grocery stores, operating within Woodsboro – over half of which are service businesses. Similar to Refugio, Woodsboro will be affected by the proposed U.S. 77 bypass. Unlike Refugio however, the existing route is already on the outskirts of town. The primary threat to existing businesses along U.S. 77 is that instead of slowing and controlling traffic where the businesses reside, the bypass would provide a single exit which traffic would have to utilize to access the businesses and the Town itself.

What you should pay attention to

Every community has issues, concerns, challenges and other impacts that are certainly known, understood and are typically being addressed. With rare exceptions, most communities do not utilize a “bury your head in the sand” management approach that totally ignores key areas needing focused attention. What does sometimes happen though, is that tougher decisions or issues of greatest impact can often get stuck in a cauldron of indecision and avoidance, where a constant reshuffling of priorities occurs that conveniently keeps the cauldron bubbling.

The good news is that the challenges we have observed in Refugio County are certainly not insurmountable nor are they unique to your community. The bad news is that a good number of these challenges are cemented in a lack of sufficient resources to adequately address them. Nonetheless, we have listed the topics we believe are most impactful to the County and that the community should focus their efforts to improve:

1. Infrastructure/utilities. One of the worst kept secrets among the folks we interacted with is the community's challenge of having inadequate infrastructure. This primarily includes water, sanitary sewer, and storm water. The issues that impact future development include: the size of lines, having enough water pressure (flow, duration and the consistency of both), capacity of sanitary treatment, quality of water, back-up generation for emergency, and a host of others.
2. Code Enforcement. Often residents – and some community leaders – consider code enforcement as a property rights issue which causes them to err on treading lightly when it comes to enforcing compliance. In reality, Code Enforcement affects health and safety, protecting and increasing property values, quality of life, economic development, crime and safety, and a host of many other areas.

In Refugio County our observations indicated that without a focused and strategic approach to handling code enforcement of properties with the area, the community could be headed down a path that will negatively impact its ability to attract new investment and that could add to a diminished quality of life for the people that live, work and travel through the area. The old saying that you only get one chance to make a lasting impression should be a guiding principle in addressing Code Enforcement.

The issue is important to BOTH the County and the individual communities we visited.

The Center for Community Progress, a national nonprofit specifically dedicated to addressing vacant, abandoned, and deteriorated properties is a resource for urban, suburban, and rural communities seeking to address the full cycle of property revitalization.

Their perspective of Code Enforcement recognizes the negative economic, social, psychological and environmental impacts that vacant, abandoned, and deteriorated properties have on neighborhoods and the people living in them.

To be more specific, the Center for Community Progress describes Code Enforcement as a critical element in fighting neighborhood decline, preserving sound neighborhoods and restoring distressed areas. They see code enforcement officers as the “first responders” to vacant and foreclosed homes and the policy value that code enforcement can offer in protecting neighborhoods and stabilizing property conditions.

They point out that “when used proactively, code enforcement can help local governments identify, halt and reverse the negative impact of vacant, abandoned and problem properties.”⁶

3. *Lack of Adequate Public Finances.* Certainly there are very few communities that have adequate funding to keep up with the rising demands of providing services to the public. Shared costs are a vital tool for leveraging low budgets. Financial cooperation on mutually-beneficial projects will allow both the individual communities and the County to reap the benefits of the improvements without strapping either entity for cash or debt service capacities. You hear so often that a rising tide floats all boats, but as you know from experience, flooding doesn’t discriminate.
4. *Complacency.* During several of our interviews it was interesting to note that in numerous discussions and/or meetings, a general sense that for a lot of residents the status quo is just fine. Points raised about folks being ok with the substandard, an unwillingness to go above the necessary to get help, people don’t like to share personal info that is needed to help (whether with banks, FEMA, etc.), a sense of pride of not wanting to let folks know they may need help and even flat out laziness were descriptors used to describe this sense of complacency. From a positive standpoint, there are committed elected and appointed officials and a group of residents and business owners who can help lead the community and take on these challenges.
5. *Coordinated Planning.* Our take on planning is quite frankly to do it – whatever form it may take – and to follow it. There are a multitude of planning types and efforts that can benefit a community. While we do believe that there are numerous planning efforts emerging in Refugio County, someone needs to make sure that the activities and actual documents are coordinated and consistent. There are numerous types of planning studies that can be done and each may focus on certain elements. To help better understand how to connect them, and identify what planning gaps may be occurring, the following are a few examples of general types and definitions of planning efforts that may be relevant to Refugio County:
 - a. Master Plan or Land Use Plan – A master or land-use plan is a dynamic long-term planning document that provides a ***conceptual layout*** to guide future growth and development. Master planning is about making the connection between buildings, social settings, and their surrounding environments. A master plan includes

⁶ Center for Community Progress, <https://www.communityprogress.net/strategic-code-enforcement-pages-204.php>

analysis, recommendations, and proposals for a site's population, economy, housing, transportation, community facilities, and land use. It is based on public input, surveys, planning initiatives, existing development, physical characteristics, and social and economic conditions.

- b. Comprehensive Planning – Comprehensive planning is a process that determines community goals and aspirations in terms of community development. The result is typically called a comprehensive plan and may both **express and regulate** public policies on transportation, utilities, land use, recreation, and housing. Comprehensive plans typically encompass large geographical areas, a broad range of topics, and cover a long-term time horizon.
 - c. Area or Corridor Plan – This type of plan typically focuses on a particular area and provides concepts and general guides to indicate potential development options. Plans are schematic only, and the actual mix of land uses, locations and configurations of buildings, parking areas, streets and access points are determined through a community's typical public review process for individual development proposals. Properties retain all existing rights.
 - d. Comprehensive Economic Development Strategy (CEDS) – a CEDS is a strategy-driven plan for regional economic development that can serve as a means to engage community leaders, leverage the involvement of the private sector, and establish a strategic blueprint for regional collaboration. The CEDS provides the capacity-building foundation by which the public sector, working in conjunction with other economic actors (individuals, firms, industries), creates the environment for regional economic prosperity.
6. **Be Cautious of Blinders.** Every community has social challenges that impact the day to day activities of every resident and visitor to the area. Refugio County and the communities are no exception. Issues surrounding quality of the local schools, graduation rates, unemployment levels, skill sets and training available for adults (and those without high school diplomas), wage rates, recidivism of local offenders, drug abuse and sales, are all prevalent in Refugio **but not at alarming levels**. This is the time to make sure that all blinders are pulled off and that serious efforts are made to acknowledge and stay on top of the issues above that have the potential for quickest decline – education, job growth and drug abuse.

As an example of our caution with viewing challenges with blinders, when in our meetings we asked the community if there were concerns with drug abuse (and opiates in

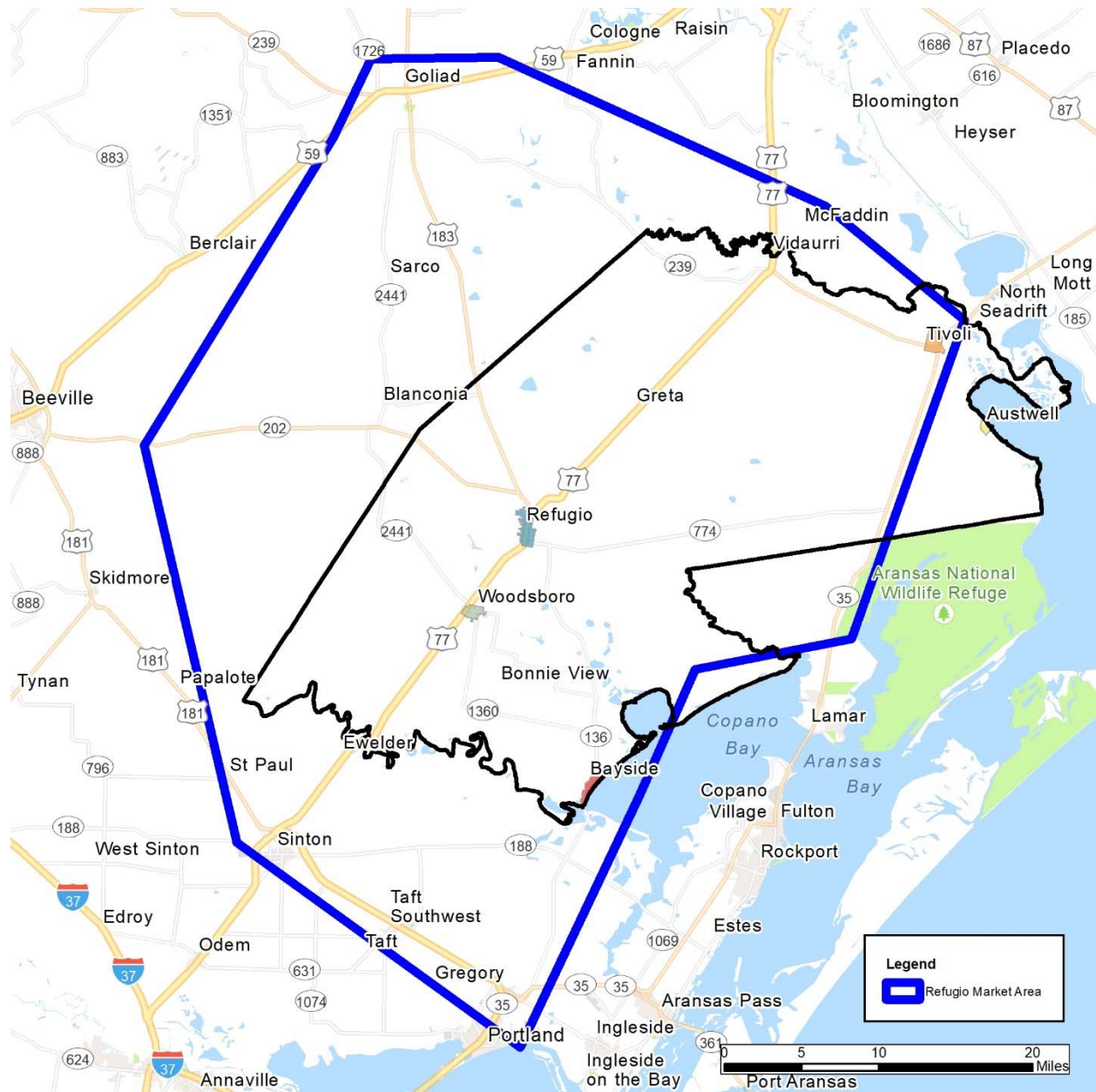
particular) there was very little acknowledgement of this being an issue. Later in one of the public focus groups when asked the same question, however, representatives from the hospital acknowledged that there has been a rise of drug use and it may be creeping into the community more than what has been acknowledged. While the good news is that The National Institute of Drug Abuse notes that although there were 1,375 opioid-related overdose deaths in Texas, the rate of 4.9 deaths per 100,000 persons is considerably less than the national rate of 13.3 deaths per 100,000 persons, the number of heroin-related deaths has more than doubled (from 260 to 530 deaths).⁷

While we certainly are not alarmists, we want to make sure that what may not seem like as much of an issue today can turn into a larger issue in the future (and harder to improve) if we do not address them or at least continue to monitor them today.

⁷ <https://www.drugabuse.gov/drugs-abuse/opioids/opioid-summaries-by-state/texas-opioid-summary>

3. Housing Market Studies

Refugio Housing Market Analysis



Map 09 – Town of Refugio Housing Market Area

The Housing Market Area for the Town of Refugio contains the majority of Refugio County as well as portions of Aransas, San Patricio, Bee, Goliad, and Victoria Counties. This size and

extent of the Market Area reflects the area's relatively high commute times and commuting patterns, proximity to employment centers, and access to primary road networks. It extends as far south as Gregory and Sinton and as far north as Goliad. The market area extends as far as 30 miles from Refugio to the south, north and east.

	Population	Households
2000 Census	28,026	9,379
2010 Census	26,370	9,289
Change 2000-2010	-1,656	-90
Percent Change 2000-2010	-5.9%	-1.0%
2018 Estimated	28,216	9,897
Change 2010-2018	1,846	608
Percent Change 2010-2018	7.0%	6.5%
2023 Projected	29,039	10,174
Change 2018-2023	823	277
Percent Change 2018-2023	2.9%	2.8%

Table 03 – Total Population and Households in Refugio Housing Market Area

The population decreased six percent from 2000 to 2010 while the number of households only decreased one percent. This can be explained by a couple of phenomena – deaths and individual household members (usually young adults) moving out of the household. These numbers have rebounded as of late. In fact, the population is now nearly identical to 2000 levels and the number of households exceeds the 2000 levels by over 500 households. This means the recent trend has been towards smaller household sizes – a trend that corresponds with the disparity between population and household decline from 2000 to 2010. As we look into the future to 2023, the market expects to see a slight increase in both population and households. Based on their anticipated size (~ 3.0 persons per household), these will likely be young families and older households.

	Population	Households
2010 Census	4,011	2,610
2018 Estimated	5,011	3,144
Change 2010-2018	1,000	534
Percent Change 2010-2018	24.9%	20.5%
2023 Projected	5,843	3,581
Change 2018-2023	832	437
Percent Change 2018-2023	16.6%	13.9%

Table 04 – Population and Households Age 65+ in Refugio Housing Market Area

There has been a dramatic increase in the number of people and households age 65 or greater since 2010. Further, the population and household growth of older households are approximately five times that of the growth of the overall population growth for this time period. Should these projections hold up, there will be demand for housing to accommodate this older population.

	Percentage with ADL's	2018 Population	Population with ADL's
45 TO 64	2.2%	7,216	159
65 TO 69	4.1%	1,671	69
70 TO 74	4.1%	1,297	53
75 TO 84	9.6%	1,468	141
85 & OVER	22.9%	575	132
TOTAL		12,227	554

Table 05 – Population with Difficulty Performing the Activities of Daily Living (ADL)

Within the entirety of the Refugio Housing Market Area, 9.8 percent of the population has difficulty performing the Activities of Daily Living (ADL). This population generally requires in-home health care assistance, modified living arrangements, and/or assisted or nursing care facilities. Over 40 percent of the population age 65 or older is estimated to have ADL difficulties. When you take this in consideration with the expected population increase in this age cohort by 2023, we would expect at least 40 percent of these new households to require some form of living assistance.

Housing Market for Under Age 65

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	79	91	66	51	54	341
\$10,000-20,000	96	111	81	63	66	416
\$20,000-30,000	65	80	58	45	47	297
\$30,000-40,000	61	75	55	42	44	277
\$40,000-50,000	59	73	53	41	43	270
\$50,000-60,000	43	54	39	30	32	198
\$60,000-75,000	53	66	48	37	39	244
\$75,000-100,000	42	52	38	30	31	193
\$100,000-125,000	21	27	20	15	16	99
\$125,000-150,000	13	16	12	9	9	58
\$150,000-200,000	7	9	7	5	5	33
\$200,000+	4	5	4	3	3	20
TOTAL	544	660	481	372	389	2,446

Table 06 – 2018 Renter Households Under Age 65 by Income by Household Size

The number of renter households under age 65 with household incomes of \$30,000 or less account for 43 percent of all renter households in this age cohort. This means the maximum monthly rent required to avoid being rent cost overburdened is \$750 for a household earning \$30,000, and even less when the households earn less than \$30,000.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	0	0	0	1	4	5
\$10,000-20,000	-9	-11	-8	-5	-2	-33
\$20,000-30,000	-7	-13	-9	-6	-4	-40
\$30,000-40,000	3	-1	-1	0	3	4
\$40,000-50,000	5	1	1	2	4	13
\$50,000-60,000	2	-1	-1	0	2	2
\$60,000-75,000	3	-1	-1	0	3	4
\$75,000-100,000	0	-4	-3	-2	0	-9
\$100,000-125,000	1	-2	-1	-1	0	-3

\$125,000-150,000	2	1	1	1	2	7
\$150,000-200,000	3	3	2	2	2	12
\$200,000+	2	2	1	1	1	7
TOTAL	5	-25	-18	-7	15	-30

Table 07 – Change in Renter Households Under Age 65 by Income by Household Size (2018-2023)

There is projected to be an overall decline in renter households under age 65. The greatest declines are expected in households earning less than \$30,000 where a decline of 85 households is expected. However, renter households earning more than \$30,000 per year should see an increase of around 38 households. In theory, these households should be able to qualify more market-rate apartments or single-family rentals.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	33	93	37	27	27	217
\$10,000-20,000	53	148	59	44	43	346
\$20,000-30,000	53	158	62	46	45	365
\$30,000-40,000	52	158	62	46	45	364
\$40,000-50,000	50	157	62	46	45	361
\$50,000-60,000	56	178	70	52	51	409
\$60,000-75,000	68	214	85	63	62	492
\$75,000-100,000	91	295	116	87	85	673
\$100,000-125,000	56	190	75	56	55	432
\$125,000-150,000	34	111	44	33	32	254
\$150,000-200,000	33	107	42	31	31	244
\$200,000+	21	67	26	20	19	152
TOTAL	600	1,877	741	551	540	4,309

Table 08 - 2018 Owner Households Under Age 65 by Income by Household Size

Owner households are more evenly distributed than renter households across all the income cohorts. Just 21 percent of owner households under age 65 have household incomes below \$30,000. To avoid being housing cost burdened, a household earning approximately \$35,000 annually would need to incur a monthly payment (that includes principal and interest, insurance, and property tax) less than \$875. This equates to a home cost of approximately \$150,000 – assuming a 20 percent down payment of \$30,000, a 30-year mortgage, and an

interest rate of 4.5 percent). There are approximately 3,300 owner households under age 65 that meet these criteria today.

It's worth noting the number of owner households with four or more people. Approximately 25 percent of this market consists of these larger households.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	-4	-4	-2	-1	-1	-12
\$10,000-20,000	-2	10	3	3	4	17
\$20,000-30,000	-5	4	1	1	2	3
\$30,000-40,000	-4	5	1	1	2	6
\$40,000-50,000	-5	2	0	0	1	0
\$50,000-60,000	-9	-13	-5	-4	-3	-34
\$60,000-75,000	-14	-27	-11	-8	-7	-67
\$75,000-100,000	-12	-12	-5	-4	-2	-34
\$100,000-125,000	-7	-6	-3	-2	-1	-18
\$125,000-150,000	1	13	5	3	4	26
\$150,000-200,000	-4	-6	-3	-2	-1	-16
\$200,000+	-2	-2	-1	-1	0	-7
TOTAL	-68	-36	-19	-13	-1	-137

Table 09 – Change in Owner Households Under Age 65 by Income by Household Size (2018-2023)

There are expected to be some noticeable declines in owner households under the age of 65 in the coming years. Most of the declines are expected to be among those households earning between \$50,000 and \$125,000 per year. The greatest gains are expected among those households earning between \$10,000 and \$40,000. These prospective homeowners will likely be absorbed by the existing housing stock with values less than \$60,000, assuming they can come up with the down payment. It is more likely these households assume ownership of a property via a property transfer from a family member.

Housing Market for Age 65 and Older

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	55	14	10	8	8	96
\$10,000-20,000	91	23	17	13	13	157
\$20,000-30,000	38	10	7	5	6	65
\$30,000-40,000	31	8	6	5	5	54
\$40,000-50,000	20	5	4	3	3	36
\$50,000-60,000	10	3	2	2	2	19

\$60,000-75,000	16	4	3	2	3	28
\$75,000-100,000	8	2	1	1	1	13
\$100,000-125,000	3	1	1	1	1	6
\$125,000-150,000	2	1	0	0	0	4
\$150,000-200,000	1	0	0	0	0	2
\$200,000+	1	0	0	0	0	1
TOTAL	277	71	52	40	42	483

Table 10 – 2018 Renter Households Over Age 65 by Income by Household Size

Over 57 percent of renter households over the age of 65 are one-person households and two-thirds of those households have incomes less than \$30,000. Since we know that the overwhelming majority of the rental housing stock is single-family homes, this seems to indicate a market inefficiency. In other words, these single person households are likely in homes that exceed their size needs. That means there is unmet market demand today for new, age-restricted, affordable rental housing for single person households.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	6	3	2	2	3	17
\$10,000-20,000	-14	-1	-1	0	0	-16
\$20,000-30,000	-11	-2	-1	-1	-1	-16
\$30,000-40,000	-3	0	0	0	0	-3
\$40,000-50,000	-2	0	0	0	0	-1
\$50,000-60,000	-1	0	0	0	0	-1
\$60,000-75,000	2	1	1	1	1	5
\$75,000-100,000	0	0	0	0	0	0
\$100,000-125,000	0	0	0	0	0	0
\$125,000-150,000	0	0	0	0	0	1
\$150,000-200,000	1	0	0	0	0	1
\$200,000+	0	0	0	0	0	1
TOTAL	-22	2	1	2	5	-13

Table 11 – Change in Renter Households Over Age 65 by Income by Household Size (2018-2023)

If current trends hold, we expect a decrease in the renter households age 65 and older, for the next several years. Part of that expectation is due to the lack of available and appropriate (think assisted living and nursing care) housing stock. The greatest declines are expected

among single person households and low-income households earning between \$10,000 and \$30,000. It's worth noting that the greatest increase is among the households earning \$10,000 or less. These households will require some form of rental assistance.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	77	71	28	21	20	217
\$10,000-20,000	179	159	63	47	46	493
\$20,000-30,000	149	134	53	39	39	415
\$30,000-40,000	108	105	41	31	30	315
\$40,000-50,000	74	75	29	22	21	221
\$50,000-60,000	63	63	25	19	18	187
\$60,000-75,000	87	87	34	25	25	258
\$75,000-100,000	77	74	29	22	21	224
\$100,000-125,000	41	46	18	13	13	131
\$125,000-150,000	26	29	12	9	8	84
\$150,000-200,000	26	27	11	8	8	79
\$200,000+	11	13	5	4	4	38
TOTAL	918	882	348	259	254	2,660

Table 12 – 2018 Owner Households Over Age 65 by Income by Household Size

Owner households over the age of 65 are dominated by one- and two-person households. In fact, these households account for almost 68 percent of the market. The incomes are fairly evenly distributed but still tend to be lower (as you would expect). Most of these homeowners have likely been in their homes for several decades.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	22	20	8	6	6	62
\$10,000-20,000	48	42	16	12	13	131
\$20,000-30,000	12	19	7	5	6	49
\$30,000-40,000	11	15	5	4	5	40
\$40,000-50,000	3	5	2	1	2	12
\$50,000-60,000	-1	1	0	0	1	1
\$60,000-75,000	13	16	6	5	5	44

\$75,000-100,000	13	13	5	4	4	39
\$100,000-125,000	4	7	3	2	2	17
\$125,000-150,000	9	11	4	3	3	31
\$150,000-200,000	5	6	2	2	2	18
\$200,000+	2	4	2	1	1	10
TOTAL	139	159	60	45	51	455

Table 13 – Change in Owner Households Over Age 65 by Income by Household Size (2018-2023)

Virtually every cohort in this market is expected to increase within the next several years. This data reflects the market trends which reflect the lack of both affordable and market-rate rental housing stock. Since over 65 percent of this market consists of one- and two-person households, the absorption of these households into the existing housing stock would likely result in a market inefficiency because the house size would exceed their needs. Further, there will be additional costs if the prospective owners require any special accommodations. This further exemplifies the need for age-restricted affordable and market-rate rental housing.

Housing Characteristics

	Owner		Renter	
2015 OR LATER	82	1.2%	291	11.7%
2010 - 2014	1,131	17.0%	1,312	52.6%
2000 - 2009	2,062	31.0%	603	24.2%
1990 - 1999	1,265	19.0%	113	4.5%
1980 - 1989	965	14.5%	61	2.4%
1979 & EARLIER	1,139	17.1%	115	4.6%
TOTAL	6,644	100.0%	2,495	100.0%

Table 14 – Tenure by Year Moved Into

It's not uncommon to see homeowners that have lived in their homes for several decades; therefore, this market is very normal in that respect. However, it is quite unusual to see renter move-in dates that go back ten years or more. In this market, over 88 percent of renters moved in prior to 2015. This is a sign of a severely restricted market. These renters are lacking flexibility primarily due to the lack of supply.

Renter Year Built									
	2014 or Later	2010 to 2013	2000 to 2009	1990 to 1999	1980 to 1989	1970 to 1979	1950 to 1969	1949 or Earlier	Total
Number	0	56	319	289	246	625	806	156	2,497
Percent	0.0%	2.2%	12.8%	11.6%	9.9%	25.0%	32.3%	6.2%	100.0%

Owner Year Built									
	2014 or Later	2010 to 2013	2000 to 2009	1990 to 1999	1980 to 1989	1970 to 1979	1950 to 1969	1949 or Earlier	Total
Number	16	140	919	516	725	1,160	2,003	1,165	6,644
Percent	0.2%	2.1%	13.8%	7.8%	10.9%	17.5%	30.1%	17.5%	100.0%

Table 15 – Year Built

Both the owner-occupied and renter-occupied housing stock is quite old in this market. Older housing is not itself problematic. However, during our site visit we observed a significant amount of deferred maintenance – either due to the hurricane or otherwise – which has likely increased the effective age of the housing by a decade or more.

Approximately 73 percent of rental housing was built prior to 1990. Due to its often intense use, rental housing is already predisposed to accelerated depreciation. Most rental property managers advise painting and carpet replacement at regular intervals. When rental housing is old and the turnover rate is low (as evidenced by the Tenure by Year Moved Into data), it is likely the housing has become substandard.

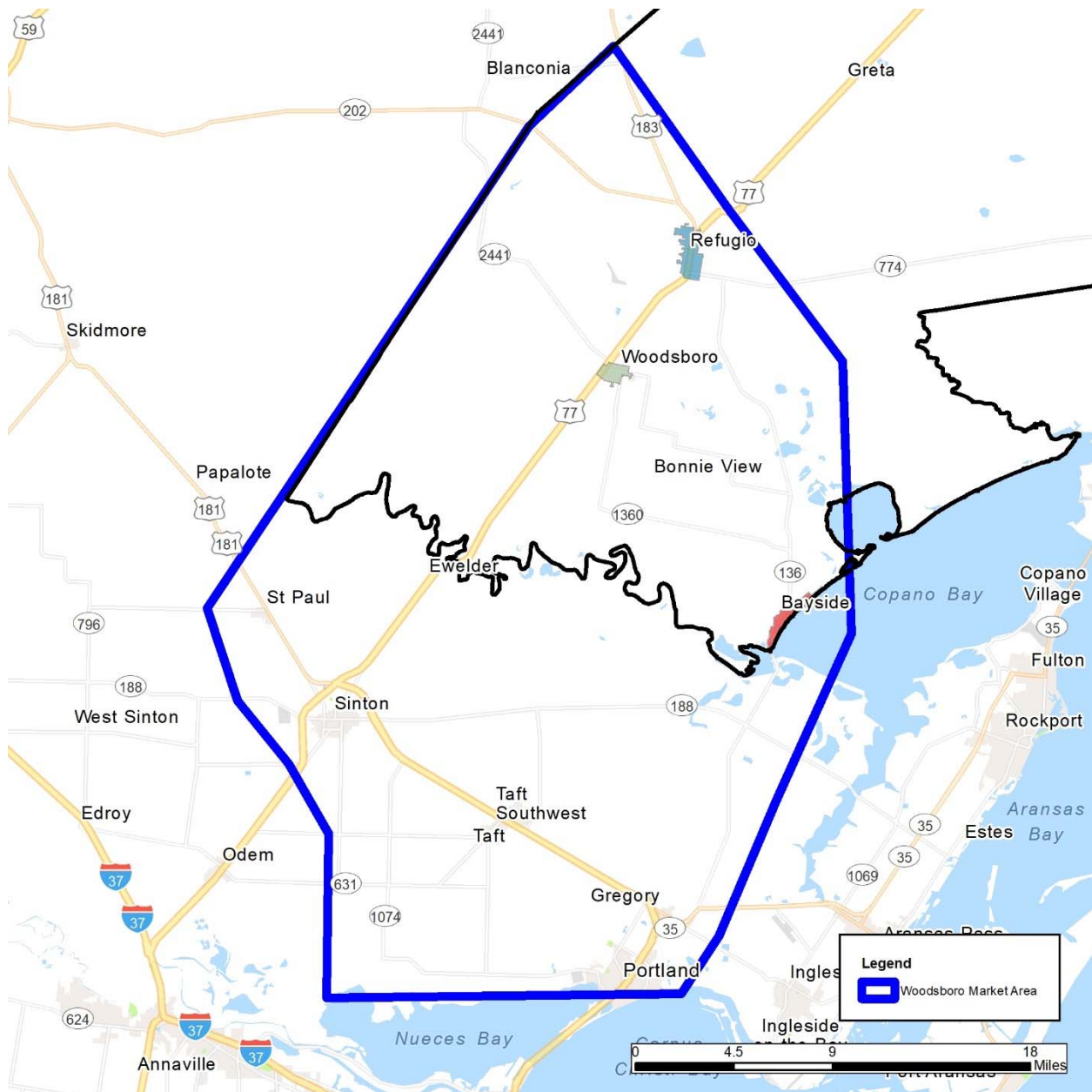
Due to the lack of multifamily rental units, the owner- and renter-occupied housing is often indistinguishable. Owner- and renter-occupied housing built prior to 1950 accounts for over 14 percent of the housing stock. Again, due to deferred maintenance and hurricane damage, much of this housing is now beyond repair and should be demolished. Removing over 1,300 housing units from the market would be extremely disruptive without a pipeline of new supply. Since natural population and household growth is expected to be relatively low, the majority of future demand for both affordable and market-rate housing will be as a result of removing substandard units from the market.

Overburdened				Severely Overburdened			
Renter		Owner		Renter		Owner	
Number	%	Number	%	Number	%	Number	%
802	32.1%	932	14.0%	324	13.0%	241	3.6%

Table 16 – Housing Cost Overburdened

A household is considered to be cost overburdened if their monthly housing costs (rent or mortgage plus taxes and insurance) exceeds 30 percent of monthly income. A household that is severely overburdened has housing costs that exceed 50 percent of their income. In this market, over 45 percent of renters are paying at least 30 percent of their pre-tax income towards rent. In addition to representing an obvious hardship for these households, this is also a local economy problem. After housing costs, most households spend the bulk of their remaining income on food and transportation. The money that is left over is often spent locally. This is especially true for lower income households. If there is not much money left after these three expenses are accounted for, the local economy suffers. This is a strong argument for the construction of more affordable housing units.

Woodsboro Housing Market Analysis



Map 10 – Town of Woodsboro Housing Market Area

The Housing Market Area for the Town of Woodsboro contains the southern half of Refugio County as well as a portion of San Patricio County and a small slither of Aransas County. The size and extent of the market area reflects Woodsboro's proximity to jobs in Refugio, Sinton, Gregory and Portland, as well as access to major highways. It extends as far south as Portland

and as far north as Refugio. The market area extends as far as 30 miles from Woodsboro to the south and 14 miles to the north, just past Refugio.

	Population	Households
2000 Census	37,170	12,365
2010 Census	36,049	12,572
Change 2000-2010	-1,121	207
Percent Change 2000-2010	-3.0%	1.7%
2018 Estimated	38,536	13,420
Change 2010-2018	2,487	848
Percent Change 2010-2018	6.9%	6.7%
2023 Projected	40,088	13,965
Change 2018-2023	1,552	545
Percent Change 2018-2023	4.0%	4.1%

Table 17 – Total Population and Households in Woodsboro Housing Market Area

The population decreased three percent from 2000 to 2010 while the number of households increased by almost two percent. This can be explained by a couple of phenomena – deaths and individual household members (usually young adults) moving out of the household. Both total population and total households have increased since 2010 by almost seven percent. A similar growth rate is expected for the next several years. Current population and household totals are now above the year 2000 levels.

	Population	Households
2010 Census	4,823	3,083
2018 Estimated	6,059	3,717
Change 2010-2018	1,236	634
Percent Change 2010-2018	25.6%	20.6%
2023 Projected	7,125	4,269
Change 2018-2023	1,066	552
Percent Change 2018-2023	17.6%	14.9%

Table 18 – Population and Households Age 65+ in Woodsboro Housing Market Area

Housing Market for Under Age 65

There has been a dramatic increase in the number of people and households age 65 or greater since 2010. Further, the population and household growth of older households are approximately more than three times that of the growth of the overall population for this time period. Growth for the next several years should be strong as well. Most of the new households will be two-person households. Should these projections hold up, there will be demand for housing to accommodate this older population.

	Percentage with ADL's	2018 Population	Population with ADL's
45 TO 64	2.2%	9,620	212
65 TO 69	4.1%	2,086	86
70 TO 74	4.1%	1,524	62
75 TO 84	9.6%	1,751	168
85 & OVER	22.9%	698	160
TOTAL		15,679	688

Table 19 – Population with Difficulty Performing the Activities of Daily Living (ADL)

Within the entirety of the Refugio County, 9.8 percent of the population has difficulty performing the Activities of Daily Living (ADL). This population generally requires in-home health care assistance, modified living arrangements, and/or assisted or nursing care facilities. Over 40 percent of the population age 65 or older is estimated to have ADL difficulties. When you take this in consideration with the expected population increase in this age cohort by 2023, we would expect at least 40 percent of these new households to require some form of living assistance.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	99	107	78	60	63	407
\$10,000-20,000	126	138	100	78	81	523
\$20,000-30,000	95	111	81	63	66	416
\$30,000-40,000	97	113	83	64	67	424
\$40,000-50,000	99	117	85	66	69	436
\$50,000-60,000	76	90	65	51	53	334
\$60,000-75,000	94	110	80	62	65	409

\$75,000-100,000	79	94	68	53	55	350
\$100,000-125,000	40	48	35	27	28	178
\$125,000-150,000	24	28	21	16	17	105
\$150,000-200,000	18	21	15	12	12	78
\$200,000+	11	12	9	7	7	45
TOTAL	857	988	720	557	583	3,706

Table 20 – 2018 Renter Households Under Age 65 by Income by Household Size

Renter households under age 65 have incomes that are evenly distributed across the various income and household size cohorts. The data indicates that there is a market for both affordable and market-rate housing of various sizes. Unlike the Refugio market, the Woodsboro market area includes Portland, Texas, where there are currently a mix of 240 market-rate and affordable housing units available as of this writing.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	-1	1	1	2	6	9
\$10,000-20,000	-9	-9	-7	-4	0	-29
\$20,000-30,000	-5	-12	-9	-6	-2	-34
\$30,000-40,000	8	2	2	3	7	21
\$40,000-50,000	13	6	5	5	10	39
\$50,000-60,000	9	4	3	3	7	27
\$60,000-75,000	10	4	3	4	8	29
\$75,000-100,000	1	-6	-4	-2	1	-10
\$100,000-125,000	1	-2	-2	-1	1	-2
\$125,000-150,000	4	3	2	2	3	14
\$150,000-200,000	8	7	5	4	5	29
\$200,000+	4	4	3	3	3	18
TOTAL	43	3	3	13	48	110

Table 21 – Change in Renter Households Under Age 65 by Income by Household Size (2018-2023)

There is projected to be a net increase of 110 renter households under age 65. The declines among the lower-income cohort \$10,000 to \$30,000 will be more than offset by gains among the higher income cohorts. It's worth noting that the largest gains with respect to household size are on opposite ends of the spectrum – 1-person and 5+ people households.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	35	90	36	26	26	213
\$10,000-20,000	58	151	60	44	44	357
\$20,000-30,000	63	181	71	53	52	420
\$30,000-40,000	67	197	78	58	57	455
\$40,000-50,000	69	210	83	62	60	485
\$50,000-60,000	81	246	97	72	71	566
\$60,000-75,000	98	293	116	86	84	678
\$75,000-100,000	143	438	173	129	126	1,008
\$100,000-125,000	89	287	113	84	82	656
\$125,000-150,000	53	167	66	49	48	383
\$150,000-200,000	67	214	85	63	62	491
\$200,000+	43	124	49	37	36	289
TOTAL	866	2,598	1,026	763	747	6,000

Table 22 - 2018 Owner Households Under Age 65 by Income by Household Size

Owner households are more evenly distributed than renter households across all the income cohorts. Just 16.5 percent of owner households under age 65 have household incomes below \$30,000. To avoid being housing cost burdened, a household earning approximately \$35,000 annually would need to incur a monthly payment (that includes principal and interest, insurance, and property tax) less than \$875. This equates to a home cost of approximately \$150,000 – assuming a 20 percent down payment of \$30,000, a 30-year mortgage, and an interest rate of 4.5 percent). There are approximately 4,750 owner households under age 65, which meet these criteria today.

It's worth noting the number of owner households with four or more people. Approximately 25 percent of this market consists of these larger households.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	-4	-3	-1	-1	0	-9
\$10,000-20,000	0	16	6	4	5	31
\$20,000-30,000	-4	10	3	3	4	16
\$30,000-40,000	-4	8	3	2	3	12
\$40,000-50,000	-3	11	4	3	4	18
\$50,000-60,000	-8	-2	-1	-1	1	-11
\$60,000-75,000	-17	-23	-10	-7	-5	-62
\$75,000-100,000	-18	-20	-9	-6	-3	-57
\$100,000-125,000	-12	-11	-5	-4	-2	-34
\$125,000-150,000	0	14	5	4	5	27
\$150,000-200,000	-9	-13	-6	-4	-3	-35
\$200,000+	-5	-5	-2	-2	-1	-15
TOTAL	-83	-19	-14	-9	8	-118

Table 23 – Change in Owner Households Under Age 65 by Income by Household Size (2018-2023)

There are expected to be some noticeable declines in owner households under the age of 65 in the coming years. Most of the declines are expected to be among those households earning between \$50,000 and \$125,000 per year. The greatest gains are expected among those households earning between \$10,000 and \$40,000. These prospective homeowners will likely be absorbed by the existing housing stock with values less than \$60,000, assuming they can come up with the down payment. It is more likely these households assume ownership of a property via a property transfer from a family member.

Housing Market for Age 65 and Older

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	63	15	11	9	9	107
\$10,000-20,000	107	25	18	14	15	180
\$20,000-30,000	47	11	8	6	7	79
\$30,000-40,000	39	9	7	5	6	67
\$40,000-50,000	27	7	5	4	4	45
\$50,000-60,000	16	4	3	2	2	27
\$60,000-75,000	24	6	4	3	4	42

\$75,000-100,000	12	3	2	2	2	21
\$100,000-125,000	5	1	1	1	1	9
\$125,000-150,000	4	1	1	1	1	6
\$150,000-200,000	2	1	0	0	0	4
\$200,000+	1	0	0	0	0	2
TOTAL	348	84	61	47	49	589

Table 24 – 2018 Renter Households Over Age 65 by Income by Household Size

Approximately 59 percent of renter households over the age of 65 are one-person households and nearly two-thirds of those households have incomes less than \$30,000. Since we know that most of the rental housing stock is single-family homes in this market, this seems to indicate a market inefficiency. In other words, these single person households are likely in homes that exceed their size needs. That means there is unmet market demand today for new, age-restricted, affordable rental housing for single person households.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	6	3	3	2	3	17
\$10,000-20,000	-17	-1	-1	0	0	-20
\$20,000-30,000	-9	-1	-1	0	0	-12
\$30,000-40,000	-1	1	1	1	1	3
\$40,000-50,000	-2	0	0	0	1	0
\$50,000-60,000	-1	0	0	0	0	0
\$60,000-75,000	3	2	1	1	1	9
\$75,000-100,000	0	0	0	0	0	0
\$100,000-125,000	0	0	0	0	0	0
\$125,000-150,000	1	0	0	0	0	2
\$150,000-200,000	1	0	0	0	0	2
\$200,000+	1	0	0	0	0	2
TOTAL	-20	6	4	4	8	2

Table 25 – Change in Renter Households Over Age 65 by Income by Household Size (2018-2023)

If current trends hold, we expect a very slight increase in the renter households age 65 and older, for the next several years. The greatest decline is expected to occur among single person households and is likely to be due to death. The rest of the cohorts are expected to incur slight

gains. Some of this can be explained by owner households moving into age-restricted rental units of which there are a few around the Portland area.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	76	66	26	19	19	206
\$10,000-20,000	184	154	61	45	44	488
\$20,000-30,000	171	143	56	42	41	453
\$30,000-40,000	135	118	47	35	34	369
\$40,000-50,000	96	87	34	25	25	267
\$50,000-60,000	87	81	32	24	23	248
\$60,000-75,000	119	112	44	33	32	339
\$75,000-100,000	107	102	40	30	29	309
\$100,000-125,000	55	58	23	17	17	169
\$125,000-150,000	35	37	15	11	11	108
\$150,000-200,000	38	37	15	11	11	110
\$200,000+	19	21	8	6	6	61
TOTAL	1,122	1,014	401	298	292	3,127

Table 26 – 2018 Owner Households Over Age 65 by Income by Household Size

Owner households over the age of 65 are dominated by one- and two-person households. In fact, these households account for almost 68 percent of the market. The incomes are evenly distributed but still tend to be lower (as you would expect). Most of these homeowners have likely been in their homes for several decades.

	1 person	2 people	3 people	4 people	5+ people	Total
\$0-10,000	19	17	6	5	5	52
\$10,000-20,000	44	37	14	11	12	117
\$20,000-30,000	32	28	11	8	9	88
\$30,000-40,000	18	24	9	7	8	65
\$40,000-50,000	4	5	2	1	2	14
\$50,000-60,000	-2	1	0	0	1	0
\$60,000-75,000	17	20	7	6	6	56
\$75,000-100,000	16	17	7	5	6	51

\$100,000-125,000	6	9	3	3	3	24
\$125,000-150,000	11	14	5	4	4	39
\$150,000-200,000	8	9	3	2	3	25
\$200,000+	5	7	3	2	2	18
TOTAL	180	187	71	53	60	550

Table 27 – Change in Owner Households Over Age 65 by Income by Household Size (2018-2023)

Virtually every cohort in this market is expected to increase within the next several years. This data reflects the market trends which reflect the lack of both affordable and market-rate rental housing stock. Since over 68 percent of this market consists of one- and two-person households, the absorption of these households into the existing housing stock would likely result in a market inefficiency because the house size would exceed their needs. Further, there will be additional costs if the prospective owners require any special accommodations. This further exemplifies the need for age-restricted affordable and market-rate rental housing.

Housing Characteristics

	Owner		Renter	
2015 OR LATER	160	1.9%	460	11.4%
2010 - 2014	1,576	18.4%	2,386	59.4%
2000 - 2009	2,741	32.0%	794	19.8%
1990 - 1999	1,569	18.3%	190	4.7%
1980 - 1989	1,162	13.6%	49	1.2%
1979 & EARLIER	1,358	15.9%	140	3.5%
TOTAL	8,566	100.0%	4,019	100.0%

Table 28 – Tenure by Year Moved Into

It's not uncommon to see homeowners that have lived in their homes for several decades; therefore, this market is very normal in that respect. However, it is quite unusual to see renter move-in dates that go back ten years or more. In this market, almost 89 percent of renters moved in prior to 2015. This is a sign of a severely restricted market. These renters are lacking flexibility primarily due to the lack of supply.

Renter Year Built									
	2014 or Later	2010 to 2013	2000 to 2009	1990 to 1999	1980 to 1989	1970 to 1979	1950 to 1969	1949 or Earlier	Total
Number	0	44	448	483	491	1,335	1,050	169	4,020
Percent	0.0%	1.1%	11.1%	12.0%	12.2%	33.2%	26.1%	4.2%	100.0%

Owner Year Built									
	2014 or Later	2010 to 2013	2000 to 2009	1990 to 1999	1980 to 1989	1970 to 1979	1950 to 1969	1949 or Earlier	Total
Number	55	121	1,148	547	1,217	1,801	2,559	1,116	8,564
Percent	0.6%	1.4%	13.4%	6.4%	14.2%	21.0%	29.9%	13.0%	100.0%

Table 29 – Year Built

Both the owner-occupied and renter-occupied housing stock is quite old in this market. Older housing is not itself problematic. However, during our site visit we observed a significant amount of deferred maintenance – either due to the hurricane or otherwise – which has likely increased the effective age of the housing by a decade or more.

Approximately 78 percent of rental housing was built prior to 1990. Due to its often intense use, rental housing is already predisposed to accelerated depreciation. Most rental property managers advise painting and carpet replacement at regular intervals. When rental housing is old and the turnover rate is low (as evidenced by the Tenure by Year Moved Into data), it is likely the housing has become substandard.

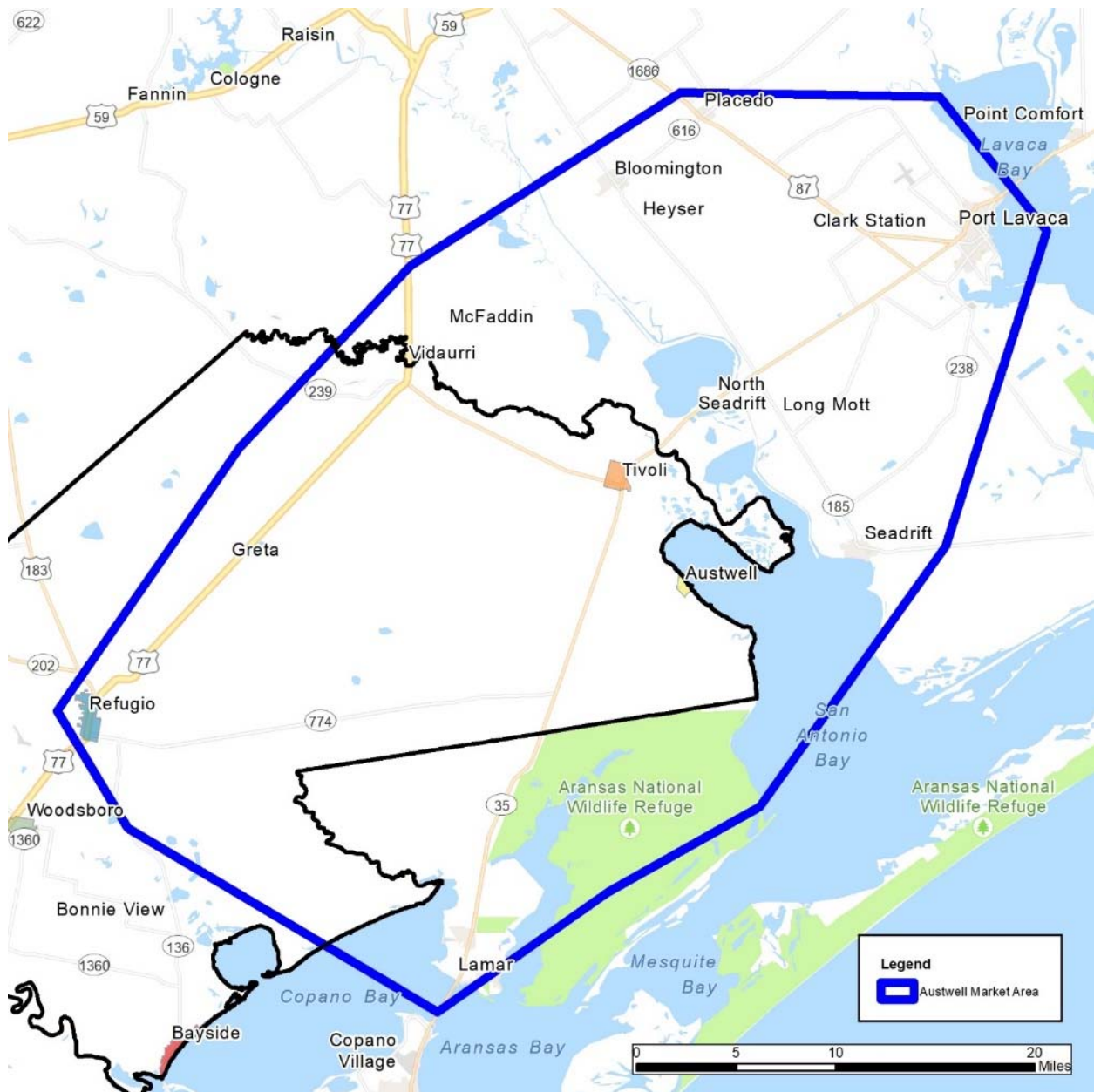
Due to the lack of multifamily rental units, the owner- and renter-occupied housing is often indistinguishable. Owner- and renter-occupied housing built prior to 1950 accounts for over 10 percent of the housing stock. Again, due to deferred maintenance and hurricane damage, much of this housing is now beyond repair and should be demolished. Removing almost 1,300 housing units from the market would be extremely disruptive without a pipeline of new supply. Since natural population and household growth is expected to be around four percent in the next four to five years, future demand for both affordable and market-rate housing could be exacerbated if too many substandard units are removed from the market without counterbalancing that with an influx of new supply. The demand is there but a thoughtful replacement/development strategy is imperative.

Overburdened				Severely Overburdened			
Renter		Owner		Renter		Owner	
Number	%	Number	%	Number	%	Number	%
1,528	38.0%	1,510	17.6%	553	13.8%	406	4.7%

Table 30 – Housing Cost Overburdened

A household is considered to be cost overburdened if their monthly housing costs (rent or mortgage plus taxes and insurance) exceeds 30 percent of monthly income. A household that is severely overburdened has housing costs that exceed 50 percent of their income. In this market, almost 42 percent of renters are paying at least 30 percent of their pre-tax income towards rent. In addition to representing an obvious hardship for these households, this is also a local economy problem. After housing costs, most households spend the bulk of their remaining income on food and transportation. The money that is left over is often spent locally. This is especially true for lower income households. If there is not much money left after these three expenses are accounted for, the local economy suffers. This is a strong argument for the construction of more affordable housing units.

Austwell Housing Market Analysis



Map 11 – City of Austwell Primary Housing Market Area

The Housing Market Area for the City of Austwell contains the northeastern portion of Refugio County as well as portions of Aransas, Victoria and Calhoun Counties. The size and extent of the market area reflects Austwell's proximity to jobs in Refugio and Port Lavaca, as well as access to major highways. It extends as far south as Lamar and as far north as Placedo. The market area extends as far as 30 miles from Austwell to the west and the Town of Refugio, and 25 miles to the northeast to Port Lavaca.

	Population	Households
2000 Census	26,359	9,256
2010 Census	26,357	9,327
Change 2000-2010	-2	71
Percent Change 2000-2010	0.0%	0.8%
2018 Estimated	27,824	9,742
Change 2010-2018	1,467	415
Percent Change 2010-2018	5.6%	4.4%
2023 Projected	28,708	10,017
Change 2018-2023	884	275
Percent Change 2018-2023	3.2%	2.8%

Table 31 – Total Population and Households in Austwell Housing Market Area

From 2000 to 2010, this area's population and household totals remained virtually unchanged. Since then, there has been modest population growth of around 0.7 percent and this same trajectory is expected to continue for the next four to five years. The City of Austwell itself is very small. As of the 2010 Census, the City had a stated population of 147 people residing in 71 households. The Mayor of Austwell told us there are 125 active water meters but not all those homes are occupied. Although an exact count is unavailable, we believe the total population is somewhere between 120 and 140 people.

It is unrealistic to expect a place of this size would attract any significant real estate developer interest because of the absence of any critical mass. However, the Mayor believes there is an opportunity to attract workers from Corpus Christi that are commuting to jobs in Seadrift and Port Comfort. Austwell has a lot of seasonal residents as well that are attracted by the access to Hynes Bay and the overall serenity of the area. For these reasons, the target market for Austwell should be permanent and/or temporary workers from across the bay (Seadrift, Long Mott, Port Lavaca and Port Comfort) and seasonal residents that are looking for a getaway.

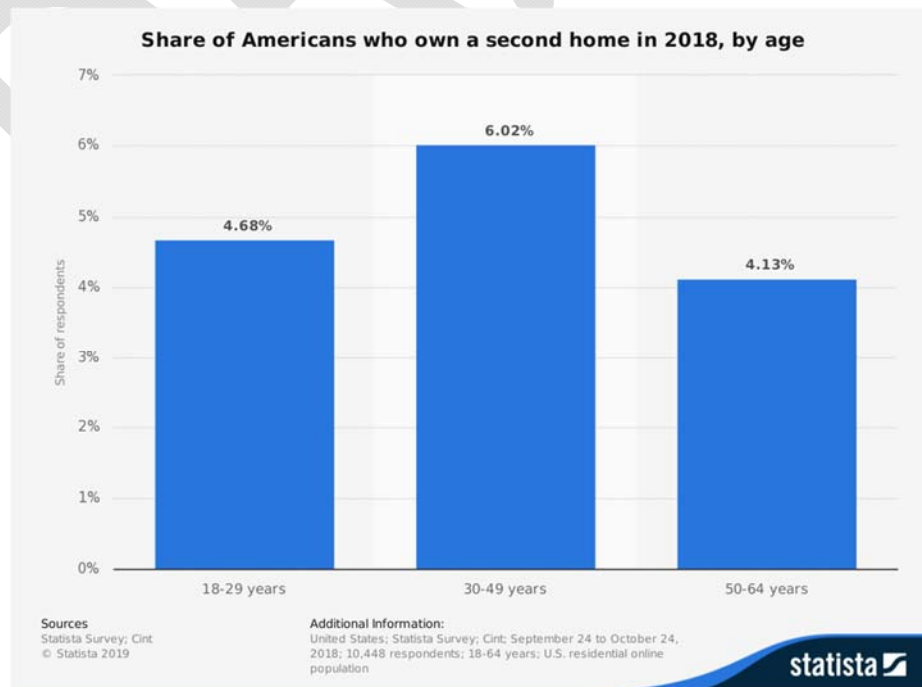
Seasonal Market

Households looking for a seasonal getaway cottage are likely already homeowners somewhere within or just beyond the market area. Beyond the simple desire to own a cottage in a small, quiet town such as Austwell, the household must have the means to buy or build such a place. One of the predictors of their ability to afford a second home is Net Worth.

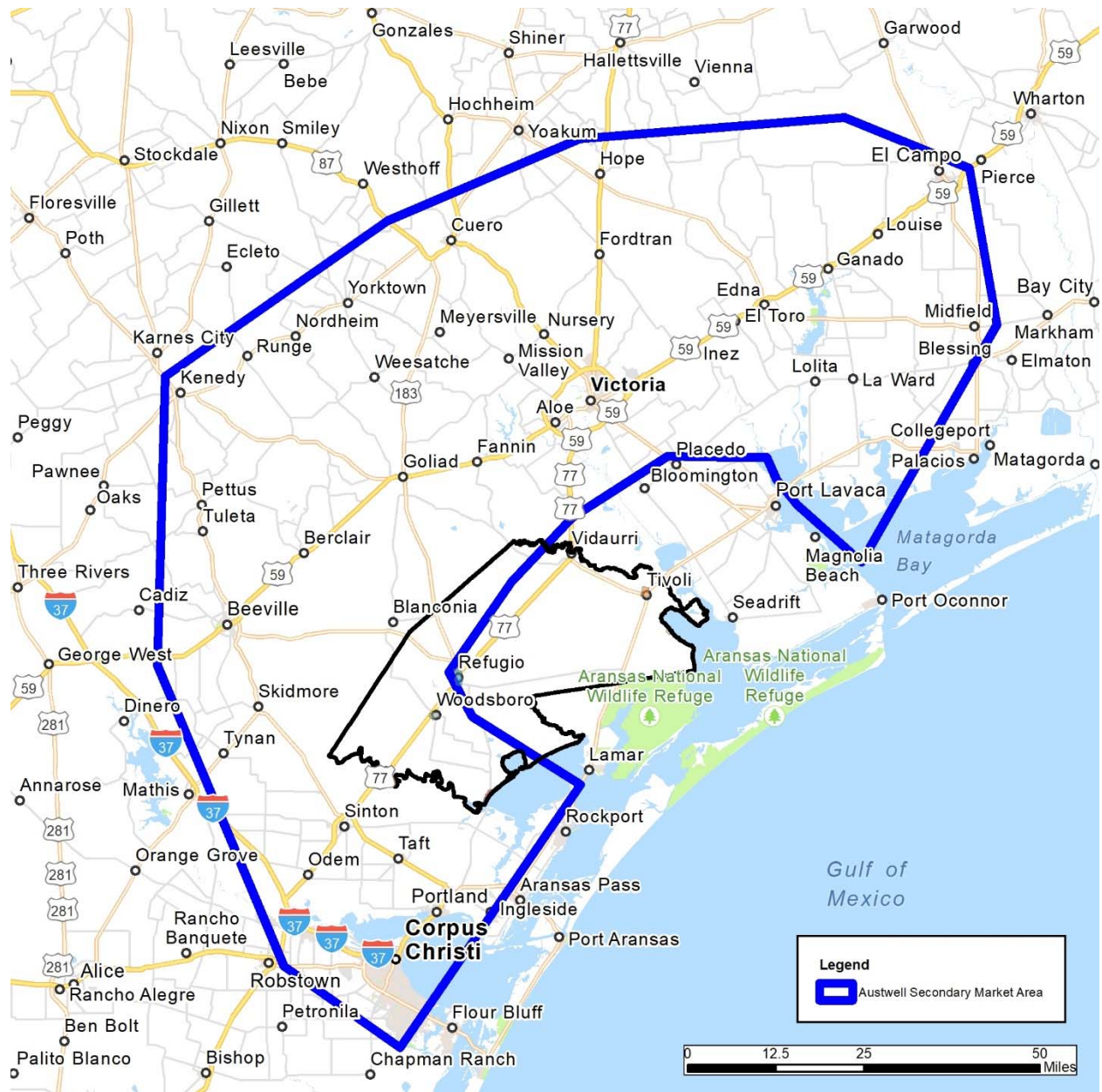
	AGE							Total
	<25	25-34	35-44	45-54	55-64	65-74	75+	
< \$15,000	218	726	569	500	406	266	123	2,808
\$15,000 - \$34,999	56	183	178	171	132	103	42	865
\$35,000 - \$49,999	19	62	77	79	100	65	22	424
\$50,000 - \$99,999	22	217	220	163	175	165	123	1,085
\$100,000 - \$149,999	12	84	121	157	179	130	88	771
\$150,000 - \$249,999	7	48	130	250	282	260	165	1,142
> \$250,000	3	60	146	413	688	650	686	2,646
TOTAL	337	1,380	1,441	1,733	1,962	1,639	1,249	9,741
MEDIAN NW	\$11,594	\$14,256	\$30,456	\$80,988	\$146,004	\$175,856	\$275,000	\$83,924
AVG NW	\$30,647	\$61,274	\$139,370	\$426,512	\$756,233	\$719,393	\$866,924	\$490,856

Table 32 – Net Worth by Age within the Austwell Primary Housing Market Area

According to the U.S. Department of Housing and Urban Development, approximately 53 percent of households that own a second home do so for recreational purposes. The National Association of Home Builders estimates that 5.6 percent of the existing housing stock consists of second homes. The primary age cohort for second home ownership is between the ages of 18 and 64.



There are 2,027 households in this market between the ages of 18 and 64 with an estimated net worth greater than \$150,000. This is the target household within the primary market area; however, second homes tend to be at least 50 miles away according to Trulia, primarily due to lending guidelines – but those are guidelines, not requirements; therefore, we established a secondary market area for the purpose of identifying the high net worth households that live between 30 and 70 miles away.



Map 12 – City of Austwell Secondary Housing Market Area

The Secondary Housing Market Area contains places as far as Corpus Christi, Beeville, Victoria and El Campo. At its furthest point it extends as far as 77 miles from Austwell to Kenedy.

	AGE							Total
	<25	25-34	35-44	45-54	55-64	65-74	75+	
< \$15,000	6,419	17,084	11,329	9,794	8,325	4,975	3,057	60,983
\$15,000 - \$34,999	983	4,200	3,415	2,996	2,514	1,852	877	16,837
\$35,000 - \$49,999	265	1,448	1,622	1,387	1,708	1,045	416	7,891
\$50,000 - \$99,999	407	3,660	4,306	3,027	3,109	2,734	2,370	19,613
\$100,000 - \$149,999	120	1,685	2,193	2,399	3,216	2,102	1,666	13,381
\$150,000 - \$249,999	59	1,277	2,613	3,732	4,301	4,065	2,712	18,759
\$250,000 & OVER	37	1,268	4,171	8,414	14,068	12,508	11,026	51,492
TOTAL	8,289	30,624	29,649	31,749	37,241	29,282	22,125	188,959
MEDIAN NW	\$9,686	\$13,443	\$35,592	\$72,566	\$144,960	\$187,860	\$248,114	\$70,420
AVG NW	\$21,649	\$61,023	\$192,907	\$510,256	\$884,959	\$829,002	\$885,856	\$533,444

Table 33 – Net Worth by Age within the Austwell Secondary Housing Market Area

There are 39,940 households within the secondary market area between the ages of 18 and 64, with a net worth of at least \$150,000. According to survey data provided by Statistica: 4.7 percent of those age 18-29, 6.0 percent of those age 30 to 49, and 4.1 percent of those age 50 to 64, own a second home. If we apply these percentages to the total number of households in this secondary market area, we can estimate that approximately 7,000 households may own a second home. It is reasonable to expect those 7,000 households to come from the \$150,000+ net worth cohort.

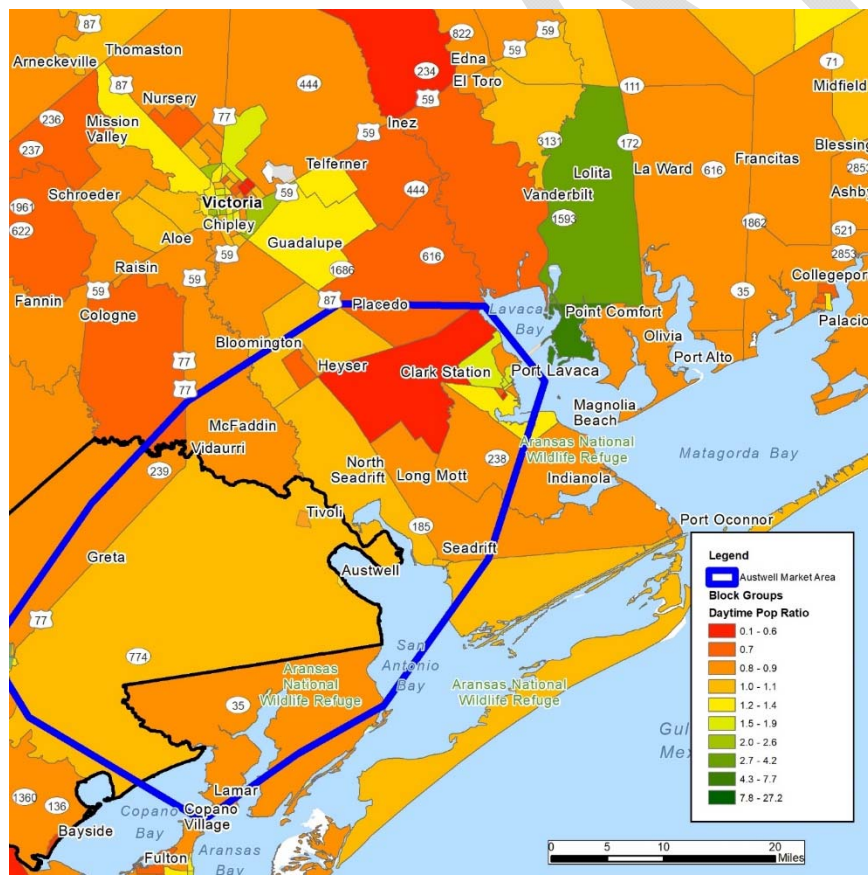
	Spending Potential Index	Total Aggregate Spent
Owned Vacation Homes	77	\$73,910,809
Mortgage Payment	80	\$24,898,053
Property Taxes	76	\$20,161,372
Homeowners Insurance	90	\$3,829,395
Maintenance and Remodeling	73	\$20,990,105
Property Management and Security	77	\$4,031,885

Table 34 – Annual Vacation Home Expenditures

The information in the preceding table lists the spending potential and the aggregate amount spent by households in the secondary market area, on vacation homes. The “Spending Potential Index” compares spending to the national average. A value of 100 represents the national average; therefore, a value below 100 indicates spending that is less than the national average and values above 100 represent spending that exceeds the national average. As you can see, most categories have values that are far below the national average. This could mean a couple of things. It could indicate a smaller overall percentage of homeowners own a second home. It could mean the values of the second homes and the amount spent on them are below the national average, or it could be both. Whatever the case, the market for second homes is not strong. This could be due to lack of quality supply. We know there are an estimated 39,940 households with a high enough net worth to be in a position to own a second home.

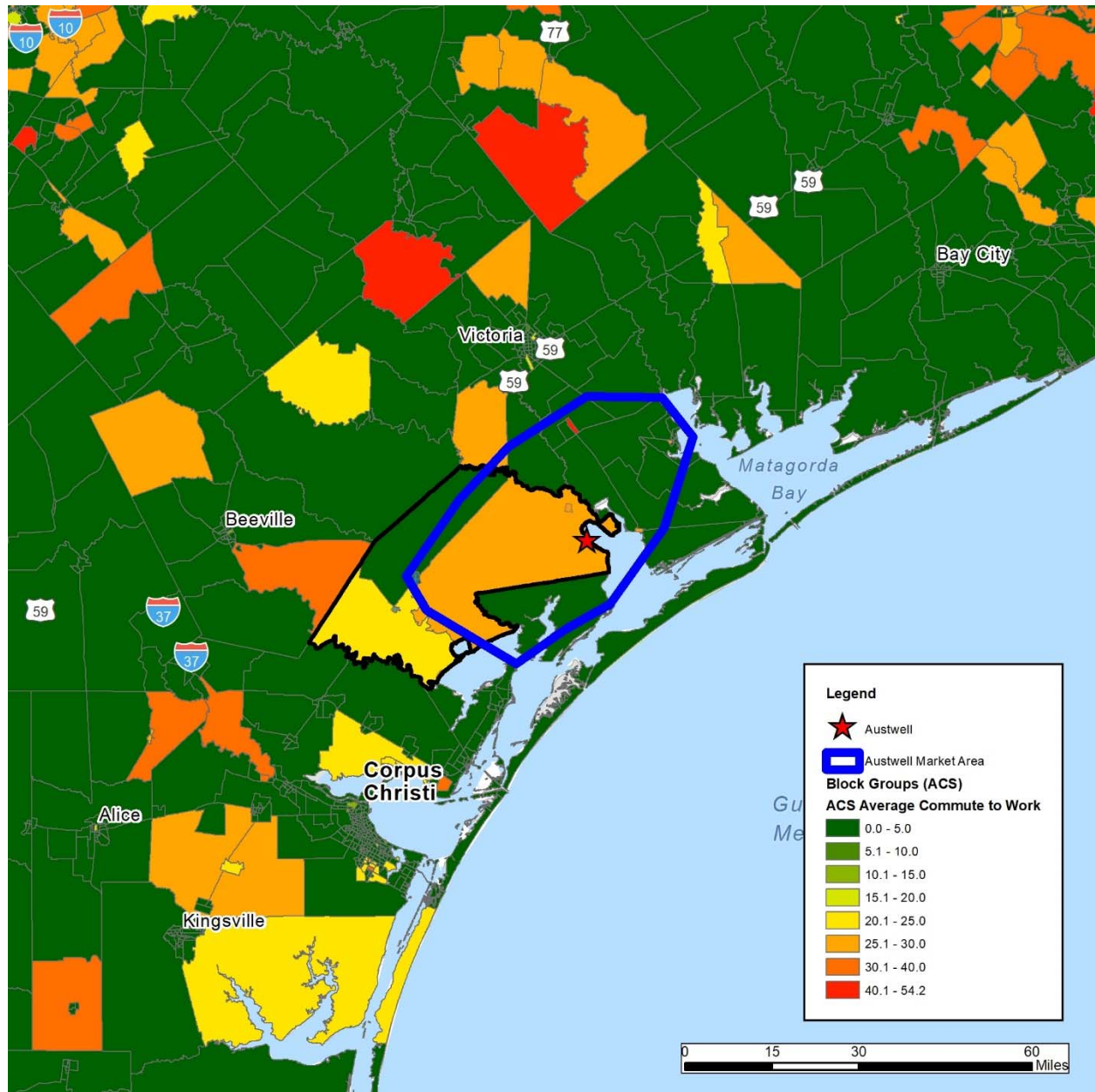
Full-time and Temporary Workers

Austwell’s Mayor Mary Canales stated she believes there are opportunities to provide rental housing to workers around Lavaca Bay. The data seems to indicate that she may be right.



Map 13 – Daytime Population to Full-time Population Ratio

The preceding map illustrates where the daytime population is exceeding the full-time population, and by how much. Anytime we see ratio values that exceed one, which indicates an area where most of the workforce is commuting in from another area. This map indicates that the phenomenon is occurring both around Lavaca Bay and around Victoria.



Map 14 – Average Commute Time to Work

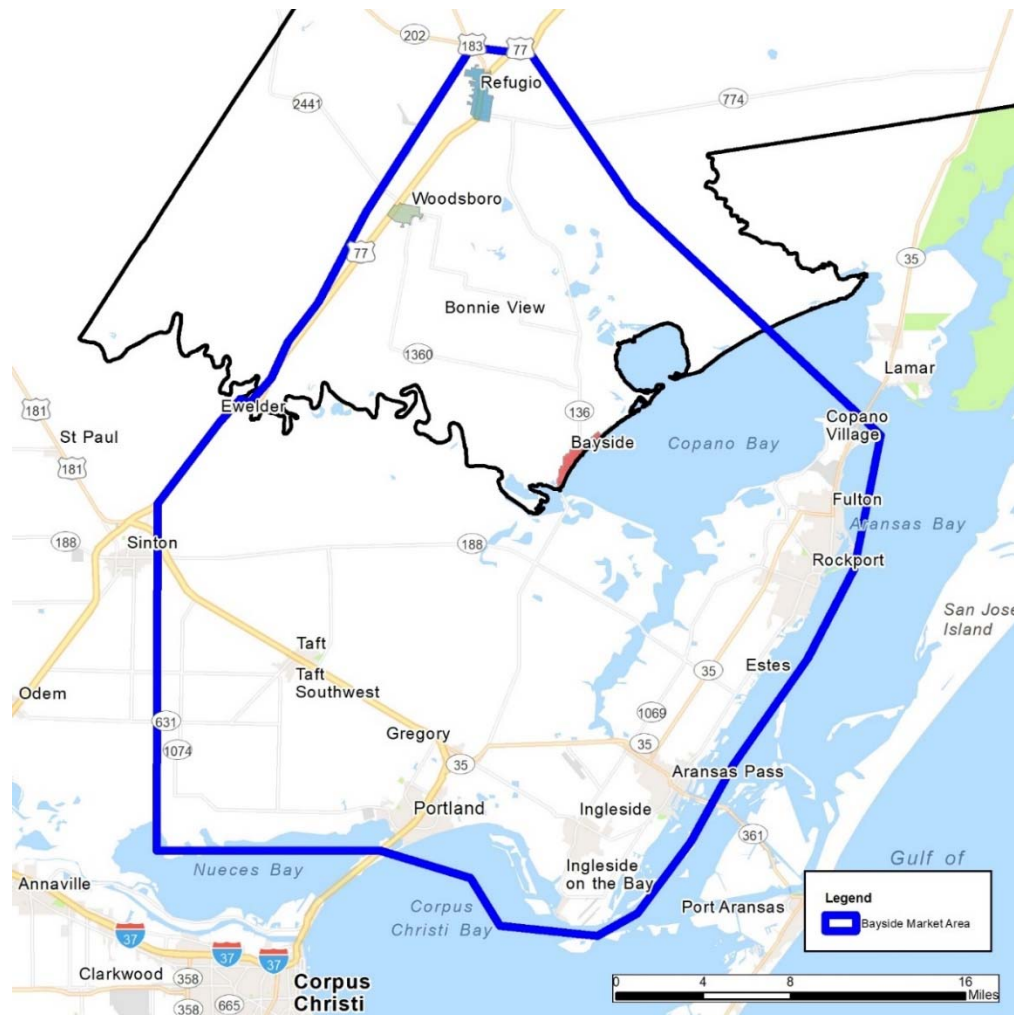
A closer examination of the average commuting time to work indicates that there are several areas scattered about the region where commuting times are excessive. Keep in mind, this is the average commute time.

For comparison purposes, Austwell is approximately a 24-minute commute to Seadrift, 18 minutes to Long Mott, and 28 minutes to Port Lavaca. An existing worker's commute would need to exceed these commutes for Austwell to be considered an attractive alternative to their existing residence. For this reason, it would make sense to focus on the areas illustrated in oranges and reds as these are the areas where a good portion of the workforce is likely commuting over an hour in each direction.

Austwell Housing Market Summary and Recommendations

Due to its size, Austwell does not have the critical mass required to attract any significant housing development in the short- to mid-term. The primary opportunities for growth will be among seasonal residents and supplying housing opportunities to full- and part-time workers across the bay in the Long Mott, Seadrift and Port Lavaca areas. The current RV Park is underutilized. A concerted effort to market and maintain this park are the most obvious short-term strategies that the City can employ. As more permanent and temporary workers fill the RV Park, vendors such as food trucks will eventually take notice. Some of the existing housing stock can be fixed up and utilized as workforce housing as more FEMA funds become available.

Bayside Housing Market Analysis



Map 15 – Town of Bayside Primary Housing Market Area

The Housing Market Area for the Town of Bayside contains a southern portion of Refugio County as well as portions of Aransas and San Patricio Counties. The size and extent of the market area reflects Bayside's proximity to jobs in Refugio, Gregory and Portland, as well as access to major highways. It extends as far south as Portland and Ingleside and as far north as

Refugio. The market area extends as far as 24 miles from Bayside to the southwest, and 19 miles to the north to Refugio.

	Population	Households
2000 Census	71,016	25,349
2010 Census	70,446	26,635
Change 2000-2010	-570	1,286
Percent Change 2000-2010	-0.8%	5.1%
2018 Estimated	78,284	29,734
Change 2010-2018	7,838	3,099
Percent Change 2010-2018	11.1%	11.6%
2023 Projected	83,284	31,704
Change 2018-2023	5,000	1,970
Percent Change 2018-2023	6.4%	6.6%

Table 35 – Total Population and Households in Bayside Housing Market Area

From 2000 to 2010, this area's population declined slightly while the number of households increased by over five percent. This can be explained by a couple of phenomena – deaths and individual household members (usually young adults) moving out of the household. Since 2010, both population and household growth has been strong. The majority of this growth has been two-person households. Growth in this area is expected to be quite strong for the next four to five years. Although in terms of physical size, the Bayside Housing Market Area is the smallest of the four areas we examined, it is by far the largest in terms of population and households. In fact, it is almost twice the size of the next largest market area – Woodsboro. This is primarily due to the inclusion of the towns Ingleside, Aransas Pass and Rockport. Growth among these cities and towns on the coast and peninsula surrounded by Aransas Bay and Copano Bay is expected to be very healthy. Bayside is in a location that could benefit from this.

The Town of Bayside itself is very small. As of the 2010 Census, the Town had a stated population of 325 people residing in 146 households. The Mayor of Austwell told us there are 186 active water meters but not all those homes are occupied. Although an exact count is unavailable, we believe the total population is less than 290 people.

It is unrealistic to expect a place of this size would attract any significant real estate developer interest because of the absence of any critical mass. The Town's infrastructure needs significant repairs including a wholesale replacement of the entire street network. Land

management is a big problem because of the preponderance of vacant lots. Approximately 70 percent of the physical area of the Town is comprised of empty lots.

Like Austwell, the opportunities for growth lie primarily with seasonal usage and housing for nearby full-time and/or temporary workers. However, the ability of the Town to support any growth of permanent housing (vs temporary RV lots) is entirely dependent on the Town's ability to fix its infrastructure.

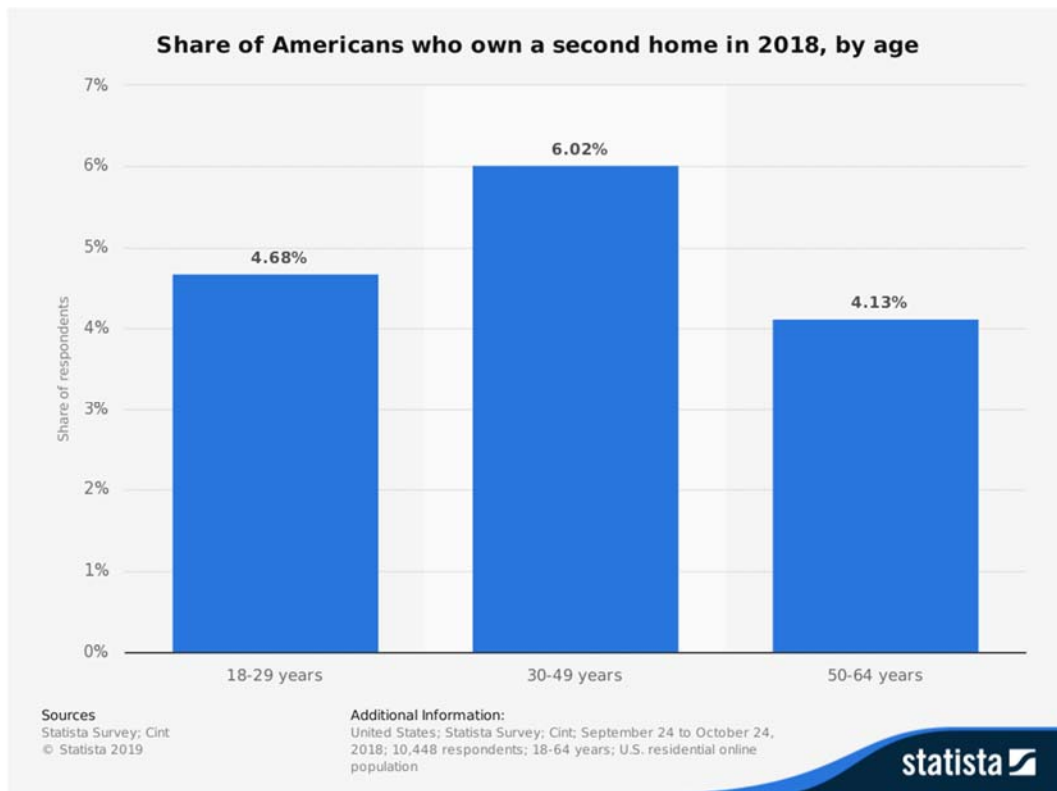
Seasonal Market

Households looking for a seasonal getaway cottage are likely already homeowners somewhere within or just beyond the market area. Beyond the simple desire to own a cottage in a small, quiet town such as Bayside, the household must have the means to buy or build such a place. One of the predictors of their ability to afford a second home is Net Worth.

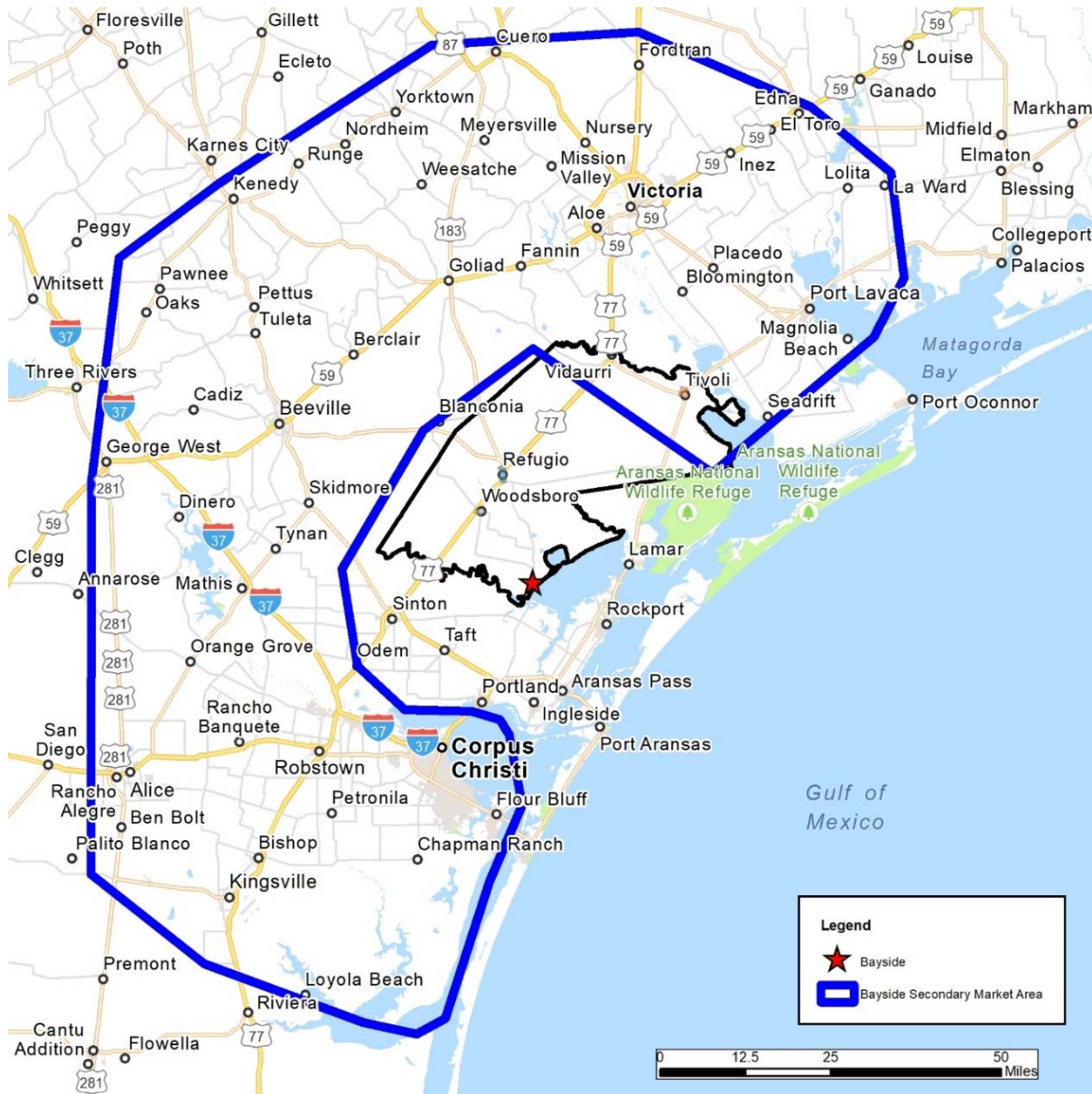
	AGE							
	<25	25-34	35-44	45-54	55-64	65-74	75+	Total
< \$15,000	624	1,843	1,342	1,268	1,173	763	373	7,386
\$15,000 - \$34,999	131	570	492	411	347	303	108	2,362
\$35,000 - \$49,999	58	202	234	212	268	166	56	1,196
\$50,000 - \$99,999	90	648	649	467	507	493	372	3,226
\$100,000 - \$149,999	24	281	377	413	536	437	264	2,332
\$150,000 - \$249,999	10	207	422	734	776	750	484	3,383
\$250,000 & OVER	12	231	611	1,384	2,566	2,678	2,367	9,849
TOTAL	949	3,982	4,127	4,889	6,173	5,590	4,024	29,734
MEDIAN NW	\$11,406	\$18,249	\$49,640	\$108,236	\$174,932	\$228,833	\$300,050	\$112,116
AVG NW	\$34,831	\$80,322	\$213,731	\$587,048	\$1,122,363	\$1,149,459	\$1,346,516	\$769,455

Table 36 – Net Worth by Age within the Bayside Primary Housing Market Area

According to the U.S. Department of Housing and Urban Development, approximately 53 percent of households that own a second home do so for recreational purposes. The National Association of Home Builders estimates that 5.6 percent of the existing housing stock consists of second homes. The primary age cohort for second home ownership is between the ages of 18 and 64.



There are 6,953 households in this market between the ages of 18 and 64 with an estimated net worth greater than \$150,000. This is the target household within the primary market area; however, second homes tend to be at least 50 miles away according to Trulia, primarily due to lending guidelines – but those are guidelines, not requirements; therefore, we established a secondary market area for the purpose of identifying the high net worth households that live between 30 and 70 miles away.



Map 16 – Town of Bayside Secondary Housing Market Area

The Secondary Housing Market Area contains places as far as Corpus Christi, Kingsville, George West, Kenedy, Victoria and Port Lavaca. At its furthest point it extends as far as 77 miles from Austwell to Cuero and Pawnee.

	AGE							Total
	<25	25-34	35-44	45-54	55-64	65-74	75+	
< \$15,000	8,526	21,175	13,825	11,945	10,202	6,087	3,591	75,351
\$15,000 - \$34,999	1,282	5,153	4,099	3,643	3,020	2,241	1,031	20,469
\$35,000 - \$49,999	339	1,771	1,912	1,650	2,098	1,289	483	9,542
\$50,000 - \$99,999	525	4,452	5,194	3,574	3,700	3,325	2,791	23,561
\$100,000 - \$149,999	175	2,079	2,673	2,870	3,834	2,521	1,922	16,074
\$150,000 - \$249,999	83	1,594	3,169	4,477	5,231	4,987	3,194	22,735
\$250,000 & OVER	55	1,535	5,093	10,077	16,353	14,549	12,621	60,283
TOTAL	10,985	37,760	35,966	38,235	44,438	34,998	25,633	228,015
MEDIAN NW	\$9,663	\$13,374	\$35,364	\$70,844	\$139,593	\$181,532	\$241,448	\$66,091
AVG NW	\$21,755	\$60,120	\$189,035	\$496,463	\$837,463	\$781,861	\$842,584	\$502,013

Table 37 – Net Worth by Age within the Bayside Secondary Housing Market Area

There are 47,667 households within the secondary market area between the ages of 18 and 64, with a net worth of at least \$150,000. According to survey data provided by Statistica: 4.7 percent of those age 18-29, 6.0 percent of those age 30 to 49, and 4.1 percent of those age 50 to 64, own a second home. If we apply these percentages to the total number of households in this secondary market area, we can estimate that approximately 8,500 households may own a second home. It is reasonable to expect those 8,500 households to come from the \$150,000+ net worth cohort.

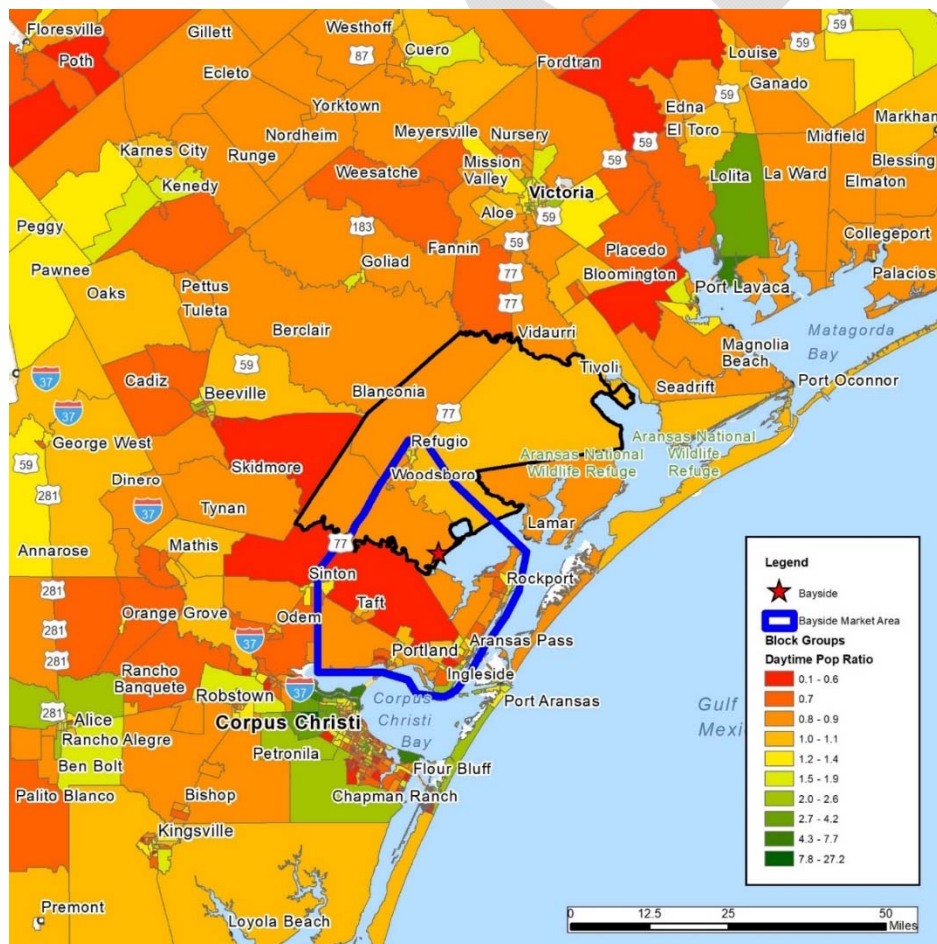
	Spending Potential Index	Total Aggregate Spent
Owned Vacation Homes	75	\$87,016,565
Mortgage Payment	79	\$29,504,540
Property Taxes	73	\$23,523,851
Homeowners Insurance	86	\$4,375,452
Maintenance and Remodeling	72	\$24,882,272
Property Management and Security	75	\$4,730,450

Table 38 – Annual Vacation Home Expenditures

The information in the preceding table lists the spending potential and the aggregate amount spent by households in the secondary market area, on vacation homes. The “Spending Potential Index” compares spending to the national average. A value of 100 represents the national average; therefore, a value below 100 indicates spending that is less than the national average and values above 100 represent spending that exceeds the national average. As you can see, most categories have values that are far below the national average. This could mean a couple of things. It could indicate a smaller overall percentage of homeowners own a second home. It could mean the values of the second homes and the amount spent on them are below the national average, or it could be both. Whatever the case, the market for second homes is not strong. This could be due to lack of quality supply. We know there are an estimated 47,667 households with a high enough net worth to be in a position to own a second home.

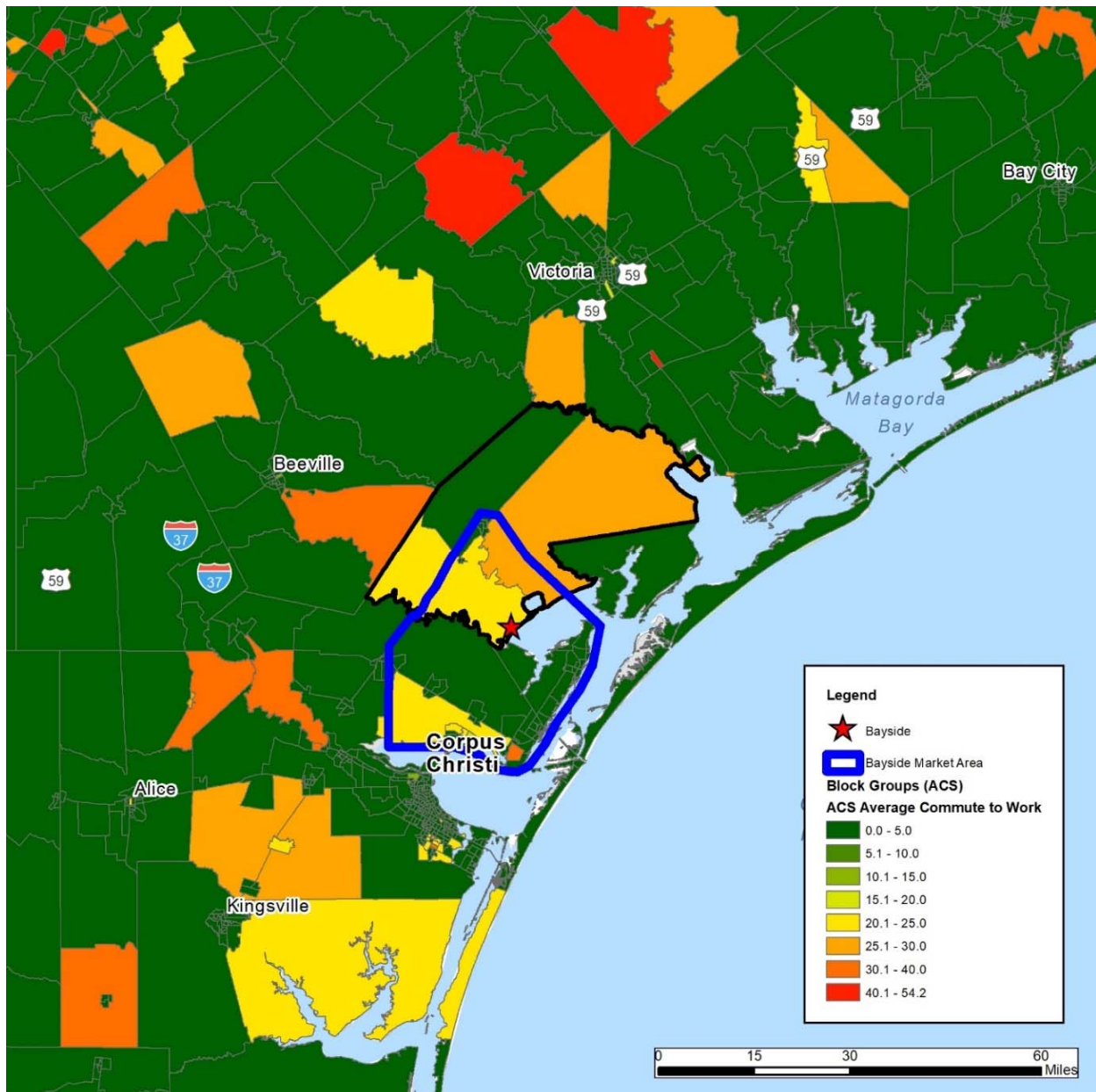
Full-time and Temporary Workers

Full-time and Temporary worker housing via existing housing or RV’s in existing or new RV parks is a realistic market opportunity for Bayside, primarily due to its proximity to major job centers in Portland and Gregory.



Map 17 – Daytime Population to Full-time Population Ratio

The preceding map illustrates where the daytime population is exceeding the full-time population, and by how much. Anytime we see ratio values that exceed one, which indicates an area where most of the workforce is commuting in from another area. This map indicates that the phenomenon is occurring primarily in and around Corpus Christi. This is an opportunity to capture these workers only if they are currently residing north and northeast of Bayside. These workers are not in play if they live anywhere near Corpus Christi or between Corpus Christi and Bayside.



Map 18 – Average Commute Time to Work

A closer examination of the average commuting time to work indicates that there are several areas scattered about the region where commuting times are excessive. Keep in mind, this is the average commute time.

There are several pockets north and northeast of Bayside where the average commute time is at least 25 minutes. The big question is, “where are these workers commuting to?” If they are commuting to job centers in Corpus Christi, Portland or Gregory, then there is an opportunity to provide permanent or temporary housing to these workers. If they are commuting to the Port Lavaca area, then obviously relocating to Bayside would not be in their best interest.

DRAFT

4. Thoughtful Suggestions

Refugio County and the Town of Refugio are wonderful communities that can boast of being a great reflection of the people - residents, public officials, and business people alike. This is evidenced by the participation in the meetings and gatherings that were scheduled, the personal interviews that we completed and even our attendance at the Kiwanis and Rotary Club meetings. The people who make the Refugio Community what it is care about their neighbors, their families, their visitors and their collective way of life.

This community is and of itself an asset worth nurturing, worth investing in and worth showing to the world.

As part of the introduction to this “report” we outlined what this report is not. As segue to this section I want to restate “What this report is NOT”.

- This report is NOT an answer key. It is not designed to give you a step by step process to solve specific issues that need immediate attention or action.
- This report is NOT based on a detailed review of plans, specifications, extended research, surveys, etc. It is based on observations, discussions and limited reading.
- This report is NOT an attempt to throw any person, organization, political subdivision, business owner or resident “under the bus”. It is about providing you an outsider’s opinion on how we perceive the community and what we were able to learn in a limited amount of time.
- This study is NOT a completed project but rather the beginning of your process to decide what steps you choose to take to enhance the community.

In our limited time in the area it was obvious to us that there are many dedicated leaders fully engaged and interested in making their community better. Our hope was to provide another tool for the leaders of the community to consider. Not for answers but to think about the questions they need to ask themselves. Where do we want to go? What are the priorities that will guide us? What can we achieve and accomplish? What BIG ideas do we have that will require BIG sacrifices to achieve? How do we continue to keep a watchful eye on the most vulnerable parts of our community (people and places) and connect them to the work you undertake?

This section – our thoughtful suggestions – is a summary of ideas to fuel creative thought. To make you think about what may be possible in your community. You may think everything we suggest is off base, can’t be accomplished, is crazy, or has no basis in your reality. That’s ok. But

if it makes you think of another way, another approach or another idea, we achieved what we had hoped to do to assist your community.

So here we go-A few things to consider

1. Refugio Housing Market Summary and Recommendations

- a. Natural demand for housing via growth will be modest for the next four to five years. However, demand for senior housing (age 65 or greater) should see a significant boost. Anticipated growth for this product is expected to exceed 16 percent for the next four to five years. Further, the demand for nursing care and assisted living should increase as well – over 40 percent of the population age 65 or older is estimated to have difficulty performing the Activities of Daily Living (ADL).

Demand for both affordable and market-rate rental housing is relatively strong, although there are indications that natural demand for affordable housing has stabilized. Today, the majority of the affordable housing exists in the single-family rental market. Due to hurricane damage or otherwise, most of this product is substandard.

There was a housing study completed for Refugio back in 2012 that recommended discouraging additional subsidized multifamily units. We strongly disagree with this recommendation. There will be demand for affordable rental units (regardless of the age of the householder) for the foreseeable future. Constricting the majority of the supply to single-family rentals negatively affects the overall rental market, and subsequently, affordability, as well as negatively affecting the single-family for sale market. Affordable multifamily rental units can be constructed using subsidies and/or tax credits. Many of the affordable units being built today are almost indistinguishable from market-rate units. Many projects have a mix of both.

The owner-occupied housing stock is in poor condition. Current owners under the age of 65 are evenly distributed across the income cohorts. The data indicates that there may be a problem with overcrowding. Approximately 25 percent of these households have four or more people. For the next several years, the greatest demand for owner-occupied housing will be among those earning between \$10,000 and \$40,000. If these households are unable to purchase a home, in the absence of new affordable multifamily unit rentals, they will be absorbed into the single-family rental housing stock – further exacerbating the problem of substandard single-family homes, both renter- and owner-occupied.

The strongest demand will be among households over the age of 65 that want to be part of the owner-occupied market. We believe this represents a dangerous market inefficiency. Many of these households would be better off as renters of an age-restricted product that is accessible to those with difficulty performing the activities of daily living. Retrofitting single-family homes for accessibility can be expensive and/or cost prohibitive which can result in one of two dangerous scenarios – the homeowners absorb the additional expense and become housing cost overburdened or they forgo the expense and live with the risks.

Potentially the greatest demand driver for both the rental and owner-occupied markets is through the removal of substandard single-family housing units. The hurricane only exacerbated a problem that already existed – a large portion of the housing stock is substandard and beyond repair. We estimate that close to 1,300 single-family homes are either in need of significant repairs or could be targeted for demolition.

- i. One option the County has is to establish a land bank with which it could acquire properties and target them for demolition. A carefully deployed strategy could allow the County to assemble properties at a scale that allows for the construction of multifamily units.*
- ii. Although there is demand for for-sale housing at price points around \$150,000, this is difficult to build at this price point given the cost of materials and labor in today's market. We believe the focus should be on the construction of new affordable and market-rate rental units while removing the substandard single-family homes from the market.*

2. Woodsboro Housing Market Summary and Recommendations

- a. After more than a decade of decline, the Woodsboro market has rebounded to population and household levels that exceed the count taken as part of the 2000 Census. Modest growth is expected for the next four to five years. A significant amount of growth has taken place since the 2010 Census within the population age 65 or older and this trend is expected to continue. Some of that was the product of in-migration, but most of the growth is the result of naturally aging in-place. Approximately 40 percent of these older households will require some assistance with the activities of daily living.

Both the affordable and market-rate rental markets for households under the age of 65 are relatively stable and evenly distributed across income and size cohorts.

Within the next several years, demand will be strongest among the \$30,000 to \$75,000 income cohort. The greatest demand will be among one and five or more person households. If the supply of rental units in Woodsboro does not increase, the demand will likely be absorbed by Portland, Gregory and Sinton.

Approximately 25 percent of the owner-occupied market consists of households with four or more people. This is a potential overcrowding issue. There are expected to be some noticeable declines in owner households under the age of 65 in the coming years. Most of the declines are expected to be among those households earning between \$50,000 and \$125,000 per year. The greatest gains are expected among those households earning between \$10,000 and \$40,000. These prospective homeowners will likely be absorbed by the existing housing stock with values less than \$60,000, assuming they can come up with the down payment. It is more likely these households are instead absorbed into single-family units within the rental housing market. A single-family home market that is trending towards more renter-occupied is not healthy for either the renter- or owner-occupied market. Introducing a new supply of both affordable and market-rate rental units would help stabilize the for-sale market.

Both the renter- and owner-occupied housing market for households age 65 or older are strong and will remain as such. Approximately 59 percent of renter households over the age of 65 are one-person households and nearly two-thirds of those households have incomes less than \$30,000. Since we know that most of the rental housing stock is single-family homes in this market, this seems to indicate a market inefficiency. In other words, these single person households are likely in homes that exceed their size needs. That means there is unmet market demand today for new, age-restricted, affordable rental housing for single person households.

Over 68 percent of the owner-occupied market for households over age 65 or older consists of one- and two-person households, the absorption of these households into the existing housing stock would likely result in a market inefficiency because the house size would exceed their needs. Further, there will be additional costs if the prospective owners require any special accommodations. This further exemplifies the need for age-restricted affordable and market-rate rental housing.

Both the owner-occupied and renter-occupied housing stock is quite old in this market. Older housing is not itself problematic. However, during our site visit we

observed a significant amount of deferred maintenance – either due to the hurricane or otherwise – which has likely increased the effective age of the housing by a decade or more.

Due to the lack of multifamily rental units, the owner- and renter-occupied housing is often indistinguishable. Owner- and renter-occupied housing built prior to 1950 accounts for over 10 percent of the housing stock. Again, due to deferred maintenance and hurricane damage, much of this housing is now beyond repair and should be demolished. Much like the housing in Refugio, the establishment of a county land bank could help reduce the stock of substandard housing and open up development opportunities for multi-family housing, for all ages, and all income levels.

Woodsboro needs both affordable and market-rate rental housing. The most pressing need is for age-restricted rental housing like assisted or independent living.

3. Austwell Housing Market Summary and Recommendations

- a. Due to its size, Austwell does not have the critical mass required to attract any significant housing development in the short- to mid-term.
 - i. *The primary opportunities for growth will be among seasonal residents and supplying housing opportunities to full- and part-time workers across the bay in the Long Mott, Seadrift and Port Lavaca areas.*
 - ii. *The current RV Park is underutilized. A concerted effort to market and maintain this park are the most obvious short-term strategies that the City can employ. As more permanent and temporary workers fill the RV Park, vendors such as food trucks will eventually take notice. Some of the existing housing stock can be fixed up and utilized as workforce housing as more FEMA funds become available.*

4. Bayside Housing Market Summary and Recommendations

- a. Due to its size, Bayside does not have the critical mass required to attract any significant housing development in the short- to mid-term. The primary opportunities for growth will be among seasonal residents and supplying housing opportunities to full- and part-time workers in nearby Portland and Gregory.
 - i. *The current RV parks present an opportunity to place temporary housing.*

- b. The number one impediment to growth - or more appropriately, rebirth – is the Town’s crumbling street network. There is no incentive for new development to occur if there is no visible evidence that the streets are being repaired. The other impediment is the preponderance of vacant lots.

- i. *A strategy to either encourage maintenance or sale of these lots is necessary if the Town is to get back on track.*

- 5. Joint Planning.** There are numerous planning efforts going on that someone (or some group) needs to help coordinate. Likewise, there are also current plans in place addressing land use, etc. During our visit we learned of planning updates that the Keystone Airpark is working on, the North Texas Economic Development Partnership and the JSD Texas Institute of Government (IOG) at Texas State University is completing a community SWOT analysis and will also be conducting a workforce evaluation assessment for the region. Ideally, we would see the Refugio County Community Development Foundation (RCCDF) to not only actively participate in all of the aforementioned planning activities but to also lead the effort to identify the common areas and conflicts that may be prevalent in these plans. We would suggest the RCCDF to request a working group with representation from the City, the County, the Chamber and RCCDF to focus reaching consensus on specific areas that are key to the community from a development standpoint. In essence the creation of a *Blueprint for Refugio County* that BOTH the County and participating Communities can approve.

Three areas that are key and that need to be high on a join priority list are:

- a. Infrastructure and Utilities. Serious considerations need to be discussed related to the potential to re-organize the water and sewer systems. Each of the jurisdictions are seemingly struggling to keep up with maintenance and deferred maintenance, long-term capital planning and slow customer growth. The potential to create a Refugio Water District should at least be studied further.
- b. Creating a Gateway. The by-pass will bring short-term challenges to the community but also great potential. Based on the most recent proposed location of the by-pass, opportunities for both refocus and new growth near these future connections. Likewise – especially for Woodsboro and Refugio – joint efforts to market the corridors into each individual community should be planned and discussed.
- c. Housing Plans Implementation. Based on the individual recommendations included above, how to move these options forward should be included in a Joint Planning Project by all participants.

I think a great example of guiding principles – when you think about great community planning – is the process that the City of Abbotsford, British Columbia has created. The Abbotsford approach includes the following concepts in their planning process:

1. Create a plan for TOMORROW, not yesterday or today
2. Plan for OUTCOMES, rather than time-frames
3. Speak and write HUMAN - don't be boring
4. Know WHAT in your plan is a consolidation, a tweak, and a rethink
5. Don't make readers play "where's Waldo" with your plan's BIG IDEAS
6. Design your plan with both FLEXIBILITY and CLARITY, and the wisdom and experience to know when to prioritize each
7. Emphasize FOLLOW-THROUGH in every step, policy and decision
8. Don't be shy to put the community's needs and tough choices up-front
9. Be BOLD, and don't be afraid to risk "competent failure"
10. Empower your team to be clever, creative, and fast and realize the CATALYTIC power of a plan. Every plan can be a game-changer!

6. **Code Enforcement.** Improving Code Enforcement must include an education element for the general public so that they understand the benefits from a health, safety, and economic standpoint. If residents feel they are being attacked by a zoning czar they are not going to be a willing partner in improving code enforcement issues. A couple suggestions for improving how code enforcement can be improved include the following:
- a. Organize neighborhood clean-up weekends that do not cost the residents to participate. These could include bulk-trash pick-up, roll-off dumpsters in key locations and volunteer groups to help folks with mowing, trimming, weeding, etc. – Boys and Girl Scouts, Key Club members, and other youth and adult service groups are always looking for new projects.
 - b. Standardization of code enforcement practices across the county. Various studies have shown that jurisdictions with standardized enforcement practices have an easier time recognizing code violations. These standardized practices allow for citizens to better understand what rules apply to all individuals within the county (regardless of the municipality they live in), allow for inhabitants from across the county to more efficiently report violations, and allow police and code enforcement officers to recognize violations at the edges of their jurisdictions. Key items that could be agreed to may include items such as:
 - i. Agree upon specified height for grass and overgrowth.
 - ii. Agree upon appropriate 'securment' procedures for abandoned or vacant buildings.
 - iii. Reduce the number of days required for hearing to occur on public nuisance properties. Research has found that it generally takes less time

for most property owners to abate a code violation than the length of time legally allowed in their particular jurisdictions.⁸

- iv. Stronger communication between Community Development, Police, and Code Enforcement when it comes to code enforcement violations.
- v. Adopt performance measurement targets for code compliance efforts for distressed neighborhoods and properties. Performance/outcome measurements are often difficult to quantify and measure, and take time to develop, but can result in a beneficial outcome for the community. “City of Austin Code Enforcement Department emphasizes the importance of setting performance measurements based on compliance rather than the number of cases or amount of fines. The City of Austin found that a goal of ‘95% compliance within 90 days,’ for example, was more effective than measuring the number of citations issued or the number of cases handled”⁹
- c. The City and/or County may consider becoming a member of the Code Enforcement Association of Texas (C.E.A.T.). C.E.A.T. was formed to study and advance the science and practice of code enforcement through certification to further the interests of the profession to promote fellowship and understanding among its members; without regard to race, creed, color, and national origin, or sex. One of missions of the Association is to promote and advance the practice of code enforcement through education and certification and also serves to further the interests of the profession through advocacy; and to promote networking, fellowship, and understanding among their members.

7. **Utilities and Infrastructure.** This may be one of the most critical items that needs to be addressed by the community. The issue is not just for the City of Refugio and Refugio County but quite frankly impacts the smaller neighboring communities as well. Most of the issues related to utilities and infrastructure are primarily with water, sanitary sewer, and storm water management. Tough decisions and prioritization of resources will have to be made in order to make meaningful headway. A few of the suggestions to consider are not easy to follow nor is their success guaranteed. Pursuing any approach that could help the region, however, must be a united path the community is willing to start down. The following are potential pursuits that may or may not have previously been explored but are options:

⁸ Way, Heather K., Michelle McCarthy, and John Scott. The University of Texas School of Law. Building Hope: Tools for Transforming Abandoned and Blighted Properties into Community Assets. Austin: The University of Texas School of Law, 2007. Web. 28 Nov 2009.

⁹ Way, McCarthy, and Scott

- a. Financing. This option is most traditional and can include General Obligations Bonds, Revenue (or Enterprise Bonds) and other loan and grant options. The US Environmental Protection Agency (EPA) manages the Water Infrastructure and Resiliency Finance Center whose charge is to encourage effective use of federal, state and local funds for the extension of these important utilities. The EPA, U.S. Department of Agriculture (USDA) and U.S. Department of Housing and Urban Development (HUD) are the main sources of federal funding for drinking water, wastewater, and storm water infrastructure. Some examples of potential sources of funds include: Clean Water State Revolving Fund (CWSRF), Drinking Water State Revolving Fund (DWSRF), USDA Rural Development Water and Environmental Program (WEP) and Department of Commerce Economic Development Administration (EDA).
- b. Consolidation. Because this is an issue for other smaller communities perhaps considering a consolidation of neighboring water and sewer treatment facilities may provide an economy of scale to right-size the utilities to service the larger area and allocate participation, funding, etc. based on investment and service areas. “When Rural Water Systems Combine,” a report published by CoBank in October 2017, provides a broad overview of the consolidation process and poses questions a community should review to determine if consolidation is right for them. This short report may be a useful reference to start the conversation.¹⁰
- c. Privatization. Another potential approach to consider may be the privatization of the water/sewer system. There are numerous examples of firms that may be interested in “purchasing” the existing facilities and investing the necessary dollars to upgrade the system and provide residential and commercial service to a larger area.
- d. Assessment policies. There was a lot of discussion in our meetings about one or more developments that were considering the area but who would bear the full burden of extending and/or upgrading the public system for adequate water pressure and sanitary capacity. In many communities there are reimbursement policies in place that offer the “developer” a mechanism to recoup a portion of their investment for extending public utilities. Typically water utilities are recouped based on a lineal length of extended lines and sanitary on a “tributary area” that can be serviced. The community would certify the true costs of

¹⁰ “When Rural Water Systems Combine.” RURAL INFRASTRUCTURE BRIEFINGS, October 2017, www.cobank.com/-/media/files/ked/power-energy-and-water/water-consolidation-report--oct-2017.pdf. Accessed 23 Oct. 2018.

extensions and establish the method and amount that would be paid back to the municipality and then distributed back to the developer. A key component to this strategy is to require all residents and businesses connect to the public utilities if such utilities are within a certain distance. This is one reason why public buy-in is essential to the success of any extension effort.

8. **Key Employer Surveys.** We would suggest working with the Refugio County Community Development Foundation to establish a relationship with key employers in the County and outlying areas. Key information would be to understand where their associates live, what is their average commute time/distance, whether they rent or own a home, what impediments they face in home ownership, what attributes are most important in choosing where to live and if they currently do NOT live in the County what are key factors that would make them consider relocating. This info could be a great start to understand specific needs, desires and requirements to choosing to live in the County and also help to quantify the local market for new and redeveloped housing.

Outcomes from an Employer Survey allow the public sector to align key impacts and activities to changes in policies that are focused on “employee attraction” to the communities in the study area. If, for example, the results of the survey show a great percentage of employees are traveling more than 60 minutes each way for their commute, a focus on moving these associates to Refugio County could be the #1 focus of the community. Cutting off 30 mins to each commute (2x daily) would result in associates saving 5 hours of time per week, 260 hours per year or over 4 days a year. Likewise cutting 30 miles each way in driving would save the associate over 15,600 road miles over the course of the year. At 58 cents per mile that’s over \$9,000 in savings in fuel and other impacts. Following the survey you should work with the HR officers in these companies to try and align attendance and which associates are often late. These factors cost the business money. If they perceive a benefit to moving associates closer to their businesses they are more likely to participate in down payment assistance programs or rent underwriting.

9. **Town of Refugio.** *Expansion of the Historic Town Center.* Driving retail sales in a traditional “bricks and mortar” setting is a challenge that communities – and retailers – are dealing with across the nation. The advent of internet shopping and sales have led to a generally overbuilt environment, leaving many vacant storefronts in its wake. This shift in purchasing habits has also led to a resurgence in more specialty and destination type businesses that are focused on the full-service atmosphere. Aesthetics, quality, uniqueness and a sense of authenticity are becoming the cornerstone of reinvestment in a community’s traditional downtown areas. People want experiences in how they shop,

where they eat, where they play and even where they choose to “hang-out”. We believe the Historic Town Center area offers a prime opportunity for immediate activity in encouraging new investments and focusing attraction to a mix of businesses that are more destination and service related. We would encourage the community to consider participating in Texas Main Street Program and becoming an active member as appropriate. This organization – along with similar organizations across the country – focuses on encouraging economic development and is dedicated to bringing jobs, dollars and people back to Texas’s historic districts. The national Main Street revitalization effort for historic downtowns was formed more than 35 years ago, and there has been a statewide Texas program since that time operating through the Texas Historical Commission. The Texas Main Street Program (TMSP) is one of the oldest and largest in the nation, with 89 fully designated communities.

10. City of Woodsboro. Woodsboro has great potential to redevelop the Town Square as a major civic and community destination. Utilizing this asset –as suggested for the Town of Refugio – could provide unique location to show off the Texas Way. The town square is a great destination for weekly events like fairs, live music, and farmer’s markets. Starting small but thinking big may be the path that the City should consider. A couple key of key policy advances the City may want to consider include the following:

- a. Prepare and implement the development of a formal zoning code for the City.* Not only will this help in focusing land-use decisions into areas of the community that are more appropriate. As important is the ability of the community to implement code enforcement to help clean-up the community and maintain property values.
- b. Develop an Asset Management Plan.* An Asset Management Plan is a great way to communicate to voters and elected officials just how much money it takes to keep your infrastructure from failing, and every community should have one for each utility. Capital Projects Fund, which identifies projects planned over the next five years. Each project has a summary page, which at the bottom has a brief narrative describing the budget impact. Impacts appear to be limited to short-term operating expenditures, not long-term life-cycle costs. Ask your staff (or consultants) to calculate the equivalent annual cost of each project. Imagine that your city had an internal service fund that purchased, financed, maintained, and replaced (at the end of each life-cycle) all city assets and then leased those assets to the operating departments on a break-even basis. The lease payment in this situation would be the equivalent annual cost. Such an internal service fund would not change the actual cost of the infrastructure, but that cost would become much more visible to the community.

11. Town of Bayside. The Town of Bayside offers exceptional views, good access and available land and is located approximately 14 miles to Exxon's front door. What it does not offer is paved roads, water and sewer reliability and code enforcement. A few short-term suggestions include the following:

- a. *Roads, roads and roads.* The Town should continue to explore opportunities to identify funding options. One of which could be the creation of a Public Improvement District (PID) which is authorized under Local Government Code Chapter 372 (1987/ 2011 revisions). The use of a PID could utilize assessments to offset the cost of infrastructure (including streets, sidewalks, water and sanitary service, etc.).
- b. *Road Diet?* Farm to Market Road #136 provides great access through Bayside but typical travelers are driving too fast to catch the Town. The community should work with TxDot to try and slow down or otherwise change the pattern of traffic for travelers to realize when they are traveling through town. At a minimum improving the visual appearance with improved signage, etc. would be helpful as you enter and exit the community.
- c. *Zoning and/or Overlay.* The Town should adopt (if they do not already have) a comprehensive zoning ordinance to dictate land-use, development regulations, etc. If zoning exists in the Town or County, an Overlay could be created along the coastline to ensure new homes and improvements are consistent with community standards. One of the major impacts to attracting new housing opportunities is that with no regulations to hold property values, it is difficult to attract new investments.

12. Town of Austwell. One of the biggest attributes – and opportunities for new revenue – is built upon the Town's location on the water. The damage to the fishing pier significantly impacted the community and its ability to attract visitors to the area. Events such as Warrior Weekend in celebration of our Veterans are great draws for people but need additional focus to take advantage of them from a new revenue standpoint. Financing is the largest impediment to preparing for future growth as opportunities for revenue growth are severely lacking. A few suggestions that the Town may choose to consider include the following:

- a. *Focus on the rebuilding of the Pier. This is significant both for the residents and for the potential to attract visitors to the community. Working with the County and the GLO are critical for this to occur.*

- b. Once the pier is rebuilt additional infrastructure should be added to best take advantage of this asset. Included should be the development of well landscaped surface parking that provides immediate access to the Pier area. Potable water and sanitary sewer for restrooms is also key. Perhaps the rebuilding of the Pier could include an opportunity to “charge” for a Pier Pass that could help initial pay for improvements but also to provide ongoing revenue to the Town.*
- c. Because of the proximity to the Aransas National Wildlife Refuge the Town could package these assets and market to natural and wildlife enthusiasts to visit the area to spend some time. Adding options for Food trucks to park near the Pier area with adequate power and water drops could bring even more people to the area on weekends. Events such as “Weekends on the Water” could promote the water front almost as some communities have regular scheduled Farmers Markets’ through the summer.*
- d. Because Austwell is such a small community serious consideration should be made to discuss the potential to merge with the unincorporated Tivoli - a census-designated place and unincorporated community in Refugio County. This would provide Austwell with better access, a more defined central business district, would more than double the population and provide a larger palette for sustained growth. Minus a “Big idea” such as this, it will be a challenge to attract and substantial growth for this community.*

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