

**Economic Development Aggressive Economic Development and Marketing  
Committee**

Economic Development Strategy #1  
September 28, 2006

The Economic Development Aggressive Economic Development and Marketing Committee met at 1:00 p.m. in the Community Room of the Lufkin/Angelina County Chamber of Commerce and presided by Trey Henderson and Henry Luke. The Strategy is Economic Development Strategy #1.

Present at the meeting were: Trey Henderson, Jim Wehmeier, Alisha Burrow, Larry Phillips, Cody Jenkins, Heather Kartye, Jay Shands, Paul Parker, Jerry Huffman Keith Wright, Susie Cardwell and facilitator, Henry Luke.

**Derivation of the Benchmark for this Strategy:**

1990 – 2003 Job Growth:

Angelina County	1.9%	
Texas	2.2%	
From Vision 2020	<u>+ .7%</u>	
	2.9%	2006-2011 Vision 2020 annual job growth Key Benchmark

2003 Angelina County Jobs: 46,347 x 2.9% = 1,344 Vision 2020 Key Benchmark Net  
New Jobs

Source: 2003 Job Source--Bureau Economic Analysis

Direct jobs	=	600 jobs per year
Indirect jobs (multiplier of 1.25)	=	<u>747</u> jobs per year
Net new jobs	=	1,344

**This means the Strategy Benchmark for this Committee is 600 net new direct jobs per year.**

**Recent history for Angelina County's job and income growth:**

	<u>Net new jobs</u>	<u>% Change in average Weekly wages</u>
2003 1 <sup>st</sup> quarter to 2004 1 <sup>st</sup> quarter	623	5.5%
2004 1 <sup>st</sup> quarter to 2005 1 <sup>st</sup> quarter	(738)	3.4%
2005 1 <sup>st</sup> quarter to 2006 1 <sup>st</sup> quarter	1,697	7.1%

Source: Texas Work Force Commission

**2005 New Corporate Facilities and Expansions:**

	<u>New</u>	<u>Exp.</u>	<u>Other Facilities</u>	<u>Total Facilities</u>
Texas	77	117	648	842

U.S.            1,144            2,044            3,294            6,482

Projects with at least \$1 million of capitol investment; 20,000 square feet of new floor space or 50 new jobs.

**Texas 2005 Micropolitan Facilities Top 100:**

		<u>Facilities</u>
Tied for 36	Paris, TX	5
Tied for 52	Dumas, TX	4
Tied for 82	Levelland, TX	3

Source: Site Selection Magazine, March 2006

From this data and discussions with economic developers and others, Henry believes there is a large opportunity for new and/or expanded facilities. However, the competition is very intense. North Carolina, Florida and other areas are being very aggressive with incentives for their new facilities.

Several examples were described by the Committee of difficulties in hiring workers. In answer to the question (How do we recruit employees to Lufkin/Angelina County?), Henry gave two examples.

1. Richmond, Virginia created the Richmond Works Magazine to help attract and retain creative young people. (See <http://www.workmagazine.biz/>)
2. The Wichita Chamber of Commerce created YPW (Young Professionals Wichita) for the same purpose. (See <http://www.ypwichita.org/>) YPW attracted over 1,800 members in the first year and has been instrumental in helping employers recruit workers. An article appeared in the 9/28/06 newspaper about stopping their brain drain with a focus on YPW. (See attached article.)

A focused marketing effort requiring a new mind set will be needed to develop a coordinated effort to attract workers, but it can be done. If not, the job growth will stop.

The Committee decided on the following Benchmark and Action Steps.

**The Benchmark for this Strategy is:**

600 Direct Jobs from either facility expansion or relocation each year.

**Action Steps:**

1. Encourage cooperation between all private and public organizations involved in job creation efforts. **Responsibility for implementation:** \_\_\_\_\_
2. Promote Angelina County as a regional hub. **Responsibility for implementation:**  
\_\_\_\_\_

3. Concentrate the marketing focus on Metro Houston, neighboring states and specific identifiable areas that would be able to capitalize on our assets. **Responsibility for implementation:** \_\_\_\_\_
4. Develop advertising that describes who we are, where we are headed and the resources we have to offer. **Responsibility for implementation:**  
\_\_\_\_\_
5. Develop a business task force that identifies and promotes the top 20 relocation prospects each year. **Responsibility for implementation:** \_\_\_\_\_.
6. Implement a marketing program to attract people who can fill the employment requirements of our employers—this will include providing work force housing available for these new employees. **Responsibility for implementation:**  
\_\_\_\_\_.
7. Pursue targeted job sectors that help meet Vision 2020 Key Benchmarks in a competitive global job market. **Responsibility for implementation:**  
\_\_\_\_\_.
  - Short-term and Long-term targeted job sectors
    - Health care
    - Professional, scientific and technology
    - Wholesale trade, warehousing, transportation, and logistics
    - Manufacturing
    - Information
    - State and federal government
    - Water use intensive industry, automotive equipment supplies and aviation maintenance.
  - Short-term targeted job sectors
    - Retail, including specialty shops and restaurants.
    - Tourism, conferences, and conventions

There was a good deal of discussion about a marketing focus on metro Houston using our education resources.

**Each Committee Member/Vision Partner responsible for an Action Step will:**

- Set a Benchmark (goal) for achieving the Action Step he/she has adopted. Committee as a whole reviews all individual Benchmarks for alignment with Committee Benchmarks.
- Develop Action Steps for achieving their Benchmark.
- Begin to implement its Action Steps.
- On a regular basis, “review, revise and refocus” Action Steps as required to meet Benchmarks.

- Report progress to the Committee for this Strategy and Vision 2020 on a regular basis.

**Continuing Activities:**

- The Committee for this Strategy will meet for review and coordination purposes as needed—maybe quarterly or every six months, depending on the Strategy.
- The Foundation Team will encourage, facilitate, and assist as required to accomplish the other Economic Development Strategies.