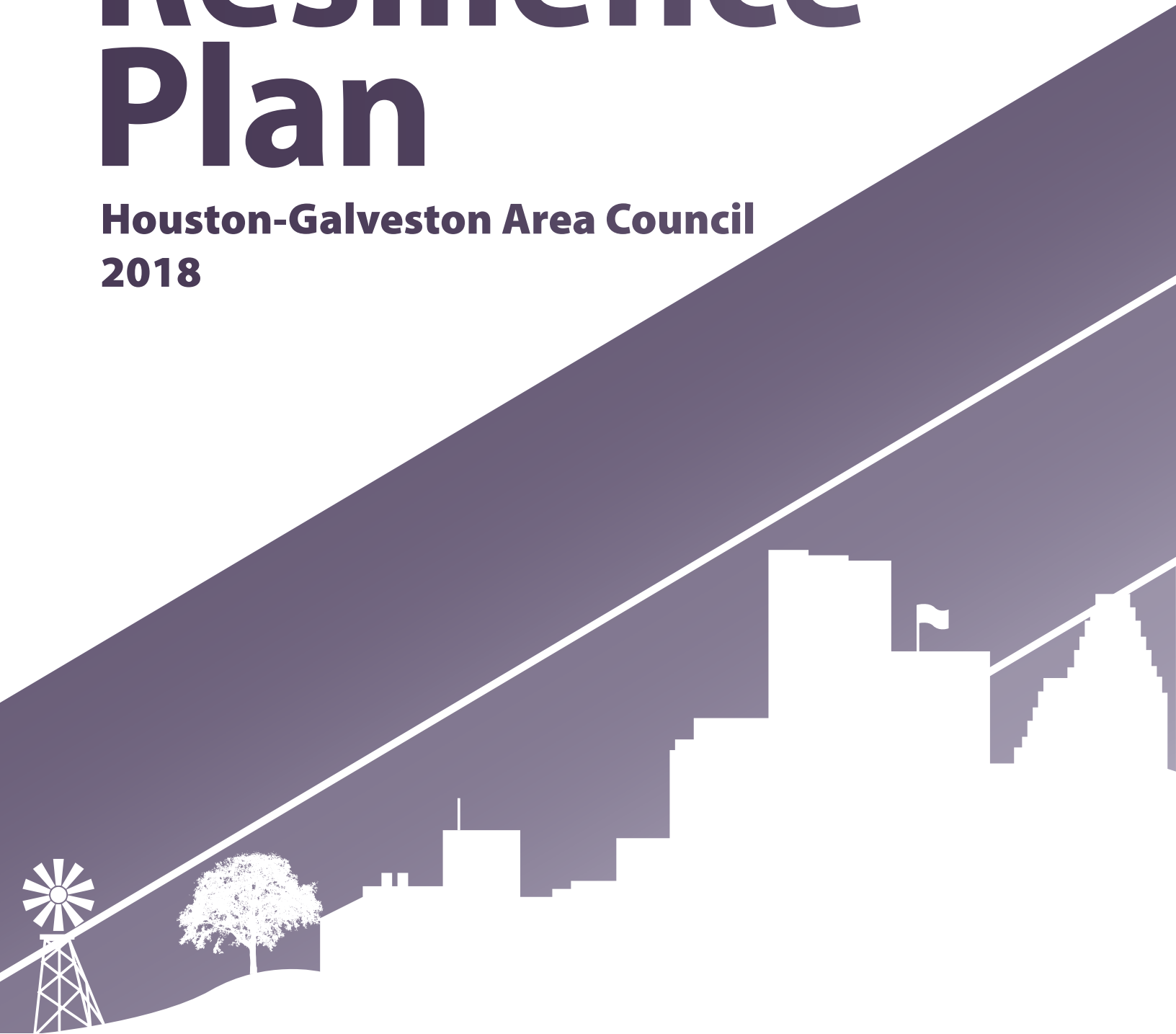


Regional Economic Resilience Plan

**Houston-Galveston Area Council
2018**



REGIONAL ECONOMIC RESILIENCE PLAN

What is economic resilience?

Economic resilience is the ability to prevent, withstand, and quickly recover from disruptions to the economy. The most common types of disruptions include downturns in economy or in a key industry; the closure or exit of a major employer; and natural or manmade disasters. Creating a resilient economy requires the ability to anticipate risk, evaluate how risk can impact economic assets, and building the capacity respond to disruptions.

Why do we need this plan?

The Houston-Galveston region has one of the most robust economies in the nation with major economic assets including the energy, agriculture and medical industries; international ports; and new plant expansions. The region is also vulnerable to wide range of natural hazards, including flooding, droughts, tropical storms and hurricanes; as well as potential man-made disasters such as terrorist attacks. Local economies throughout the region can be impacted by a downturn in major industries or the loss of an important employers. This plan was created to identify economic challenges in the region, assist authorities in planning for economic disruptions, create the means to enhance economic resilience, and create a vision for resilient regional economy.

How was this plan created?

The U.S. Economic Development Administration (EDA) makes investments in economic resilience to enhance the ability of economies to bounce back from a disruption, preserving jobs and economic well-being. The EDA provided funding for this economic resilience plan in the wake of the destruction caused by the Tax Day floods of 2015 (DR-4223). This plan is a result of a review of the economic resilience literature (see Appendix A), a survey of economic development and planning in the region, an analysis of vulnerabilities in the region, and economic resilience workshops in each of the 13 counties in the Gulf Coast Economic Development District.

What's in the plan?

H-GAC conducted analysis and hosted workshops where both regional and county-specific vulnerabilities and solutions emerged. The plan is organized into three central recommendations (overarching recommendations all areas of the region should consider); a transect (overview of challenges faced by different land use intensities in the region) and county profiles (county-specific analysis and recommendations); and resources (local, regional, state and national plans and tools addressing economic resilience.)

Hurricane Harvey

Hurricane Harvey stalled over the region for four days in late August of 2017; parts of the region received over fifty inches of rain, causing widespread flooding and damage to homes and businesses. All thirteen counties of the Houston-Galveston Region have been designated as a disaster area due to Harvey.

The damage totals approximately \$125 billion dollars, and \$16 billion in economic loss in the Houston-Galveston region. Harvey damaged or destroyed more than 178,400 Texas homes and inflicted an estimated \$669 million in damage to public property. Harvey caused more than \$200 million in Texas crop and livestock losses; the manufacturing, energy, chemical production, and retail sales sectors experienced costly downtime, and many experienced damage to equipment and structures from the flooding.

The hardest hit economic sectors in entertainment and telecommunications, while the health services, rental housings, motor vehicles, furniture and clothing sectors increased output due to the storm. The region lost 11,200 jobs due to Hurricane Harvey, but the job market quickly recovered, and the region's economy added 43,200 jobs in October as the region's economic activity increased as recovery efforts intensified.

KEY RECOMMENDATIONS

Through the development of this document, H-GAC identified the following three central recommendations for enhancing the region's economic resilience: Keeping Water Where it Belongs, Defending Great Places, and Future Proofing.



Keeping Water Where It Belongs

The Houston-Galveston region's geography makes it particularly vulnerable to flooding, drought, hurricanes, and tropical storms. The 2015 Memorial Day floods, 2016 Tax Day floods, and the 2017 Hurricane Harvey floods created enormous economic losses for the region. These floods occurred while the region was still recovering from the impacts of the 2010-2012 droughts and Hurricane Ike (2008). While impact from these disasters could not be completely avoided, the costs of recovery could have been significantly reduced given sufficient infrastructure. Enhancing the region's ability to manage water will enhance the resilience of the region's economy.



Defending Great Places

The Houston-Galveston region is home to great places to live, work, and play. Re-investing in existing communities while enhancing the quality of new growth strengthens the economic competitiveness of the region. A community's economic resilience is dependent on essential physical and demographic components. Communities need sufficient transportation, telecommunication, educational, housing, utility, recreational, and drainage infrastructure to be successful.



Future Proofing

Future-proofing is enhancing adaptability by planning and designing to anticipate upcoming changes. Demographic shifts, increased storm events, transformations in retail, transportation, and emerging technologies will impact the way residents live, work, and play in the future. Planning and building for the future, both the anticipated and unknown, enhances adaptability and resilience.