

# TEXOMA ECONOMIC DEVELOPMENT DISTRICT COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY 2017-2022

UPDATE 2019



Prepared by the Texoma Council of Governments with assistance and funding from the Economic Development Administration (EDA), U.S. Department of Commerce



# **Texoma Economic Development District Comprehensive Economic Development Strategy 2017-2022**

Update 2019

## **TEXOMA ECONOMIC DEVELOPMENT DISTRICT**

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## REGIONAL SNAPSHOT 2019

### Introduction

Texoma Council of Governments (TCOG) produced the Comprehensive Economic Development Strategy 2017-2022 (CEDS), which was completed in the fall of 2017. The document was a compilation of data, pulled together and analyzed to create a regional approach for economic growth. In 2019, our annual CEDS committee recommended a series of updates for 2019-2020 to reflect the growth and changing demographics in the region since our previous report.

The recommended regional updates are as follows.

### Population & Demographics

Population has continued to rise in the Texoma region in ways that have surpassed Census projections. The US Census 2018 estimate shows population growth in Texoma at 0.9%, compared to the State of Texas at 1.7% and USA at 0.7%. In addition, the Texas Water Development Board Regional Water Plan County Population Projections 2020-2070 put Texoma population increasing at 7.86% since 2017.

We look forward to updated Census data in 2020 and in the meantime are adjusting our projections to better keep pace with the rapid growth in the region.

We have used several sources to determine actual population, with different current population projections of the Texoma area ranging from 198,897 – 214,544:

198,897 (The American Community Survey 2013-2017) (Cooke: 39,064, Fannin: 33,787, Grayson: 126,146).

209,851 (The US Census 2018 estimate) (Cooke: 40,574, Fannin: 35,286, Grayson: 133,991).

214,544 (Texas Water Development Board Regional Water Plan County Population Projections for 2020-2070) (Cooke: 40,903, Fannin: 38,330, Grayson: 135,311).

Grayson County is the most populous and the largest, with 63 percent of the region's population. The median ages of the counties are very close, between 40 and 41 years. Citizens age 65 and over form 16.9 percent of Grayson County residents, 18.6 percent in Fannin County and 17.3 percent in Cooke County.

Table 1, below shows selected demographic information for Grayson, Cooke, and Fannin Counties.

**Table 1: Selected Demographic Information; Grayson County, Fannin County, Cooke County**

Grayson County, Texas			Fannin County, Texas			Cooke County, Texas		
	Estimate	Percent		Estimate	Percent		Estimate	Percent
SEX AND AGE			SEX AND AGE			SEX AND AGE		
Total population	124,231		Total population	33,757		Total population	38,878	
Male	60,695	48.9%	Male	17,824	52.8%	Male	19,299	49.6%
Female	63,536	51.1%	Female	15,933	47.2%	Female	19,579	50.4%
Median age (years)	40.2		Median age (years)	41.7		Median age (years)	40.4	
18 years and over	94,619	76.2%	18 years and over	26,629	78.9%	18 years and over	29,454	75.8%
Male	45,442	48.0%	Male	14,237	53.5%	Male	14,448	49.1%
Female	49,177	52.0%	Female	12,392	46.5%	Female	15,006	50.9%
65 years and over	21,019	16.9%	65 years and over	6,285	18.6%	65 years and over	6,743	17.3%
Male	9,348	44.5%	Male	3,001	47.7%	Male	3,110	46.1%
Female	11,671	55.5%	Female	3,284	52.3%	Female	3,633	53.9%
RACE			RACE			RACE		
Total population	124,231		Total population	33,757		Total population	38,878	
One race	120,582	97.1%	One race	32,882	97.4%	One race	37,969	97.7%
Two or more races	3,649	2.9%	Two or more races	875	2.6%	Two or more races	909	2.3%
One race	120,582	97.1%	One race	32,882	97.4%	One race	37,969	97.7%
White	107,803	86.8%	White	29,734	88.1%	White	36,011	92.6%
Black or African American	7,235	5.8%	Black or African American	2,283	6.8%	Black or African American	1,027	2.6%
American Indian and Alaska Native	1,423	1.1%	American Indian and Alaska Native	114	0.3%	American Indian and Alaska Native	247	0.6%
Asian	1,439	1.2%	Asian	175	0.5%	Asian	312	0.8%
Native Hawaiian and Other Pacific Islander	76	0.1%	Native Hawaiian and Other Pacific Islander	20	0.1%	Native Hawaiian and Other Pacific Islander	44	0.1%
Some other race	2,606	2.1%	Some other race	556	1.6%	Some other race	328	0.8%
Two or more races	3,649	2.9%	Two or more races	875	2.6%	Two or more races	909	2.3%

According to the Texoma Council of Governments Texoma Region 2019-2021 Community Needs Assessment:

Grayson County racial demographics are 86.8% White, 12.4% Hispanic or Latino, 5.8% Black or African-American, 1.1% American Indian and Alaska Native, 1.2% Asian, 2.1% Some other race, and 2.9% Two or More Races.

Fannin County racial demographics are 88.1% White, 10.4% Hispanic or Latino, 6.8% Black or African-American, 0.3% American Indian and Alaska Native, 0.5% Asian, 1.6% Some other race, and 2.6% Two or More Races.

Cooke County racial demographics are 92.6% White, 16.9% Hispanic or Latino, 2.6% Black or African-American, 0.6% American Indian and Alaska Native, 0.8% Asian, 0.8% Some other race, and 2.3% Two or More Races.

All counties have an overwhelmingly White population. Cooke County has the largest percentage of Hispanics and Latinos, at 16.9 percent, and Fannin County has the largest percentage of Black or African-American residents at 6.8 percent. However, when looking at raw numbers, Grayson County has the largest number of people of color.

## Income

**Table 2: Overall Poverty Rate by County**

Cooke	15.0%
Fannin	16.5%
Grayson	15.6%
Texas	16.7%
US	15.1%

Source: US Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

The Median Household Income for Texoma is \$53,401, with 14.3% of the population living in poverty, compared to 16% of Texans and 14.6% of Americans. Based on the 2013-2017 American Community Survey 5-Year Estimates, the Median Household Income for Cooke County is \$60,027 with 13% of persons living in poverty, the Fannin County Median Household Income is \$47,875 with 12.9% of persons living in poverty, the Grayson County Median Household Income is \$52,683, with 13.4% of persons living in poverty. Fannin County's income statistics are somewhat misleading; the County is the location of both a Texas State Veterans home and a Department of Corrections facility, both of which house a large number of unemployed or underemployed individuals.

### **Educational Attainment**

According to the 2013-2017 American Community Survey 5-Year Estimates, the percent of Cooke County residents who are high school graduates or higher is 86.4%, the percent of Grayson County residents who are high school graduates or higher is 88.2%, and the percent of Fannin County residents who are high school graduates or higher is 85.2%.

### **Persons without Health Insurance**

In Cooke County, the percentage of persons without health insurance under the age of 65 is 20.7%. In Grayson County, the percentage of persons without health insurance under the age of 65 is 19.5%. In Fannin County, the percentage of persons without health insurance under the age of 65 is 21.9%.

### **Transportation**

According to Texoma Council of Governments' 2019 Transit Market Study, the Texoma region has one major public transportation provider known as Texoma Area Paratransit System (TAPS), which is demand responsive. This sole provider does not currently meet the transportation needs of the region, leaving gaps in service and poor connectivity to major community resources, such as employment centers and medical facilities. Due to the unique characteristics of the Texoma region (populations of higher than the State average of senior citizens, people with disabilities, and veterans), this type of transportation service is in high demand. Additionally, there are many populations within the region that would benefit from increased connectivity and service that could be supplied by introducing a fixed route system, which could supply a complementary, consistent and reliable transit system for the region.

Study recommendations are to continue to analyze use to establish opportunities to combine trips and add fixed route service, especially in high demand rural areas, and between major employment centers; develop a construction plan to address new roadway projects and roadway safety with bus shelters and bus pullouts; and coordinate transfer locations between fixed route system and demand response system.

### **Economic Health Indicators**

According to Texas Department of Transportation, road construction projects are underway across northeast Texas; the expansion of Highway 82 alone represents millions of dollars invested in Cooke, Fannin and Grayson counties. In addition, the proposed US 75 highway project would include improvements to the US 75/US 82 interchange, and widening of the US 75 main lanes from FM 1417 to FM 120. All of these changes will bring considerable investment, transportation and traffic flow improvements to the region.

## Performance Measures – Economic Development

Texoma has seen quite a bit of economic development recently that has brought new companies, investment and jobs to the region.

### In Cooke County:

- ✓ \$10,000 was spent as façade grants for businesses that enhance the Farmer's Market Event Area: Krootz Brewing \$5,000, St. Joe Pizza \$5,000.
- ✓ Trident Process Controls received a manufacturing grant that pays each year for new qualifying job creation over 4 years, with a cap of \$410,000. Trident Process Controls also invested \$4M into expansion.
- ✓ Liberty Crossing holds an investment balance of a \$1M commitment.
- ✓ Black Hill Farm invested \$750,000 for new road development for cottages and patio homes.
- ✓ Duraline invested in a \$10M expansion and will be paid \$4,000 for new qualifying job creation, with a cap at \$160,000.
- ✓ North Central Texas College invested \$6,000 for student assistance in the technical training department, matching grant program Business Education for Teachers with Texoma Workforce Development Board-placed teachers in the workplace in the summer.

### In Fannin County:

- ✓ BEDCO's Downtown Bonham Leveraged Grant program has sparked private sector reinvestment in a half dozen downtown Bonham buildings, bringing an average return of over \$11 private sector dollars spent for every BEDCO grant dollar paid out.
- ✓ The BEDCO – Anchor Industrial Performance Agreement will provide a \$500 incentive for each new full-time job created at the Bonham Field Office and provides for a \$1,000/job "Live Local" bonus for each employee who lives or relocates to reside within the Bonham 75418 zip code boundaries in a specified period of time.
- ✓ Northlake Controls, Inc. acquired a Bonham Industrial Park site from the Bonham Industrial Foundation with construction of a new, approximately 9,000 SF corporate headquarters and production facility.
- ✓ Dairy Manufacturers, Inc. acquired and is retrofitting the *Super Sack* building on Old Ector Road. BEDCO has entered into a performance agreement with the company to provide a \$100,000 facility development grant to help defray the cost of modifying and retrofitting the facility tied to specific performance measures. This will be paid at 40% when a Certificate of Occupancy is issued to Dairy Manufacturers, Inc., 40% when 36 jobs are certified, and the final 20% when the full commitment of 45 jobs is met or exceeded.

### In Grayson County:

- ✓ ArStrat made a \$300,000 investment that brought 75 jobs.
- ✓ Celebration Station made a \$14 million investment, which will bring 15 jobs.
- ✓ Papa Nick restaurant is investing \$500,000 and Boston Fish Supreme is investing \$400,000.

- ✓ Gateway Village retail strip center, a multi-use development with a cost of \$2.5 million, is bringing a wide-variety of businesses along US 75.
- ✓ Culvers is investing \$4 million and bringing 50 jobs, HeyDay is investing \$12 million and bringing 120 jobs, Urban Air is investing \$2.7 million and bringing 50 jobs, Starbucks is making a \$1.5 million investment and employing 20. Also in Grayson County, Swagit is investing \$500,000 and bringing 40 jobs. The Texoma Medical Center made a \$50 million investment and employs 300, and is also adding a \$12M Medical Office.

## **Economic Development – Bois d’Arc Lake Project**

In May 2019, in Fannin County, the North Texas Municipal Water District broke ground on the first major reservoir in Texas in three decades – a project that is already bringing welcome economic benefits to the area. Construction crews on the dam site are adding on average 15,000 to 17,000 cubic yards of earth every workday to the 2-mile-long, 90-foot-tall embankment. The 110-foot-tall raw water intake structure is growing in height, as the second concrete pour for its walls is now complete. Nearby, crews are preparing to pour concrete for the raw water pump station, which, when complete, will house nine pumps in the building the length of a football field. On FM 897, workers on the 1.3-mile-long bridge continue pouring concrete columns, as work on that site and the other 11 miles of new or improved county and state roads advances. At the nearby Riverby Ranch mitigation area, tree crews have planted more than 1.6 million trees, and started restoration on more than 70 miles of streams. At the water treatment plant site in Leonard, soil excavation for every structure is nearly complete and workers are preparing to begin foundation and structural concrete activities. Construction of the lake remains on schedule. While the wet weather has slowed progress some, overall, NTMWD is still planning to impound water in the fall of next year.

The 16,641-acre lake will be located northeast of the city of Bonham in Fannin County. The lake’s name honors local history and recognizes the Bois d’Arc [pronounced bō-,dä(r)k] tree as a distinctive symbol with special significance for the region. Bois d’Arc Lake will meet the water needs and demands for our growing region of 1.7 million people until 2040. Low-interest funding approved by the State will pay for nearly all of the project and save the District and ratepayers millions in financing costs.

Contractors from Fannin County and the surrounding areas are playing a significant role in the construction of the lake. To date, 50 companies from Fannin, Delta, Grayson, Hunt and Lamar counties are working on an estimated \$50 million in projects on Bois d’Arc Lake. The awarding of several projects remains, so additional work for local companies is possible.

Source: North Texas Municipal Water District project website, [www.BoisdArcLake.org](http://www.BoisdArcLake.org).

## **Performance Measures - Workforce**

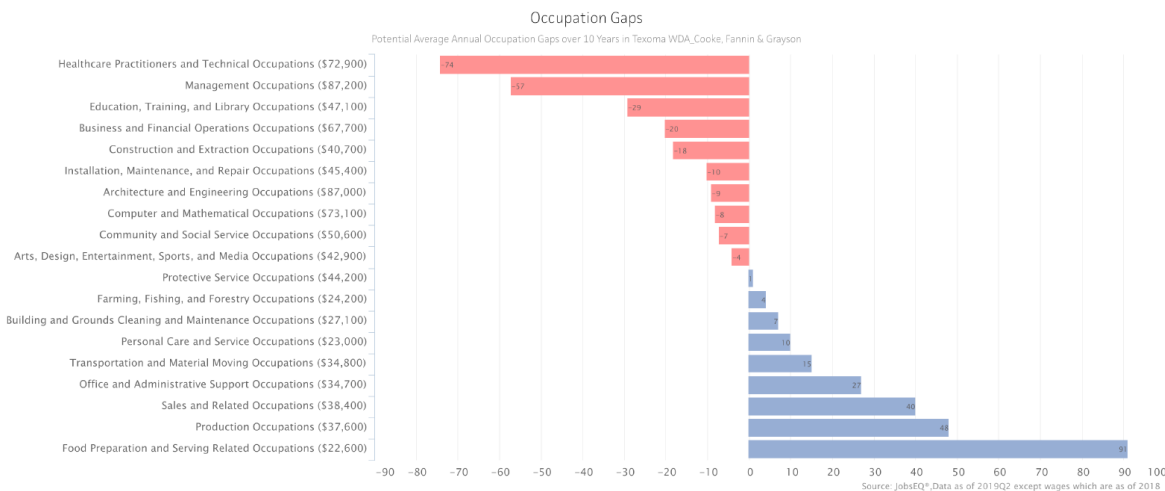
The labor force participation rate and size for the civilian population ages 16 years and over is 60.5% in Texoma workforce development area as compared to 64.4% in Texas and 63.3% in the USA. The prime age labor force participation rate and size, ages 25-54, 80% in Texoma WDA (workforce development area) as compared to 80.2% in Texas and 81.6% in the USA. All things considered, Texoma’s labor force participation rate is very competitive when compared to Texas and the nation.

## Employment Trends

As of 2019 Q2, total employment for the Texoma WDA\_Cooke, Fannin & Grayson was 79,416 (based on a four-quarter moving average). Over the year ending 2019 Q2, employment increased 1.98% in the region.

## Wage Trends

The average worker in the Texoma WDA\_Cooke, Fannin & Grayson earned annual wages of \$43,366 as of 2019 Q2. Average annual wages per worker increased 4.5% in the region over the preceding four quarters. For comparison purposes, annual average wages were \$57,025 in the nation as of 2019 Q2.



## Occupation and Housing Gaps

According to JobsEq data, as of 2019 Q2, Cooke, Fannin and Grayson counties show potential gaps in workforce for the next 10 years in the healthcare, management, education and business industries which are all projecting employment needs that are greater than the current workforce availability. Industries projecting an excess of workforce include food preparation and serving, production, sales, and office and administrative support. Note that local knowledge gained from our Manufacturing Companies support a continued need for workers in the manufacturing industry as many continue to report they have many current employees that are either at an eligible retirement age or will be within the next 10 years.

According to the TCOG 2019-2021 Community Needs Assessment of the Texoma Region, affordable housing is a major need in all counties in the region. One of the regional conditions of poverty is housing cost burden, or the percentage of yearly income required to meet the yearly costs of having and maintain housing. The highest housing cost burdens are found in the census tracts that have the highest rates of overall poverty. In Cooke County, the census tracts in central Gainesville have average yearly housing cost burdens of 39.6 percent and 32.5 percent. In Fannin County, the tract with the highest cost burden is in west Bonham, which has a housing burden of 38.3 percent. In Grayson County, the highest cost burdens are found in the central Sherman tract; fully 44 percent of the yearly income goes to housing costs. One of the most costly conditions of poverty is paying for housing and one of the top needs for the region is the availability of access to safe and affordable



housing. All three counties have robust public housing, but the need is much greater than the assets in place.

### Industry Snapshot

According to JobsEq data, as of 2019 Q2, the largest employer industries in Texoma were health care and social assistance, followed by manufacturing and retail. Other large-scale industries included education, accommodation and food service and construction. Of these top six industries, the highest annual percentage of employment change over a 5-year period occurred in health care and social assistance, as well as accommodation and food services. The one-year employment demand forecast for all of these employers remains strong. These data suggest we will have an increased demand for over 9,500 employees and employment growth of over 800 in the next one-year period across all industries in the Texoma area.

### CONCLUSION

As the population in the region increases, it will be vitally important to expand businesses and employment. TCOG has combined efforts with local economic development professionals and will strive to create resilient communities throughout the region by:

- ✓ Educating both employers and employees about local business growth
- ✓ Promoting tri-county branding efforts
- ✓ Identifying regional transportation strategies
- ✓ Supporting workforce housing initiatives