



SOUTH PLAINS ECONOMIC DEVELOPMENT DISTRICT
ECONOMIC RECOVERY & RESILIENCY PLAN
2022

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INTRODUCTION

Defining a ‘Recovery and Resiliency Plan’

“Many definitions of economic resilience limit its focus on the ability to quickly recover from a disruption. However, in the context of economic development, economic resilience becomes inclusive of three primary attributes: the ability to recover quickly from a shock, the ability to withstand a shock, and the ability to avoid the shock altogether. Establishing economic resilience in a local or regional economy requires the ability to anticipate risk, evaluate how that risk can impact key economic assets, and build a responsive capacity.”

-U.S. Economic Development Administration

A focus on recovery and resiliency is immensely important for many American communities, especially in the aftermath of the COVID-19 pandemic. Many communities are working to ensure the effects of the pandemic do not have a negative impact on the trajectory of their economies. Instead, they intend to use the lessons of the pandemic to improve, recover, and diversify. Environmental issues, too, are becoming increasingly important to take into consideration, as the effects of climate change are requiring communities of every size to evaluate and adjust their approach to economic development. Sustainable development practices are being prioritized in the 21st century, and their inclusion in a plan focused on resiliency is crucial.

Although the recovery and resiliency processes have become more commonplace in community discussions, these are not new processes. Any event or disaster that negatively impacts a community’s economic stability will require some action on the community’s part to correct the issue. In order to mitigate the consequences of these events, detailed plans and strategies should be developed proactively. The South Plains region’s approach to pandemic- and weather-related challenges will require appropriate planning.

Communities that have developed and maintained diversified and resilient economies are able to endure economic shocks more easily than those without any strategy for dealing with adversity. Success in recovering from an economic shock is a product of the intentional efforts of economic development agencies, community organizations, local businesses and stakeholders, and a variety of other community actors. An all-hands-on-deck approach is required to create a strategic plan, and the project team at Thomas P. Miller and Associates (hereafter referred to as the ‘project team’) has sought to engage a variety of stakeholders in the development of this plan. The diverse stakeholders and communities within the region have partnered throughout this process to benefit the region and support the project team in developing the strategy.

There are many unique features of the region that have been considered throughout the report. The region is home to a plethora of natural resources, many strong educational institutions, and a hard-working, vibrant resident population. The demographics of the region vary widely by county; Lubbock County is an urban hub with a booming business environment, while many of the more rural surrounding counties are home to fewer than a thousand people. The unique characteristics of the region have been considered in the development of the strategy and will be outlined throughout.

Ultimately, the South Plains region is preparing a Recovery and Resiliency Plan to address challenges that come from an ever-changing economic environment. The plan will help the region identify opportunities to promote economic diversification and capitalize on emerging opportunities. At its conclusion, this report will provide a set of actionable strategies for economic recovery and long-term economic resiliency in the region. To inform those recommendations, an in-depth data scan has been conducted, as well as stakeholder engagement sessions. Together, these processes help provide background information and some context for developing appropriate recommendations.

Project Scope

In October 2021, the South Plains Association of Governments (SPAG) released a Request for Proposal (RFP) soliciting the services of a professional consulting firm to develop an Economic Recovery and Resiliency Plan. The purpose of the project was to explore existing economic conditions and create a plan with economic development goals and strategies. The project was intended to identify challenges faced by the region, as well as significant opportunities for growth. Thomas P. Miller and Associates was selected to develop the Economic Recovery and Resiliency Plan in November 2021. The plan was finalized and adopted in September 2022.

About SPEDD

SPEDD (South Plains Economic Development District) is designated an economic development district by the Economic Development Administration (EDA). SPEDD represents 15 counties in the northwest portion of Texas; 44 cities and 9 special districts are located within the region's 15 counties. The economic development district is responsible for managing the economic development plan for the region, which includes economic development planning, business retention, expansion, and attraction, and small business engagement.

SPEDD was established in 1990 by the South Plains Association of Governments (SPAG) to serve as the designated economic development district for the U.S. Department of Commerce, Economic Development Administration.



DATA SCAN

Methodology

In order to provide the most comprehensive quantitative review of the South Plains region, the data analysis is broken into several sections. First, brief county profiles have been provided for each of the 15 counties in the region. These profiles are intended to serve as a snapshot of each county and include recent Census or American Community Survey data. We've chosen to include these profiles because the third-party models we use to estimate and predict industry and population trends have proven to be less accurate in very small, rural communities.

Next, we provide a detailed analysis of the demographic, workforce, industry, and occupational characteristics of the South Plains region. The profiles of Lubbock County and the surrounding South Plains region are, of course, quite different. To avoid the overshadowing of the more rural South Plains region by the populous Lubbock County, the two geographies have been separated in the analysis. For each analysis, we've included separate data for Lubbock County and the remaining 14 counties in the region; the 14-county region that excludes Lubbock County is referred to as the "surrounding region".

County Profiles

In the county profiles provided below, a variety of demographic, industry, and housing data is presented. These data are the most up-to-date, hard data available at the county level. The population data comes from the 2020 Census; wherever 2020 Census data is not available, the figures come from the American Community Survey 2015-2019 estimates.



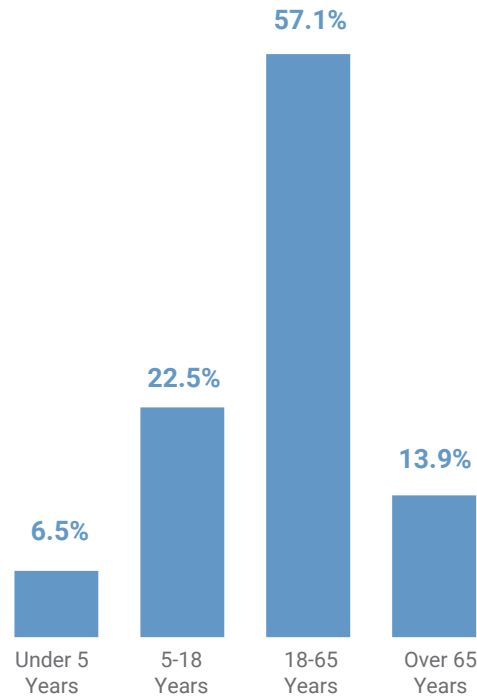
BAILEY COUNTY

TOTAL POPULATION **6,904**

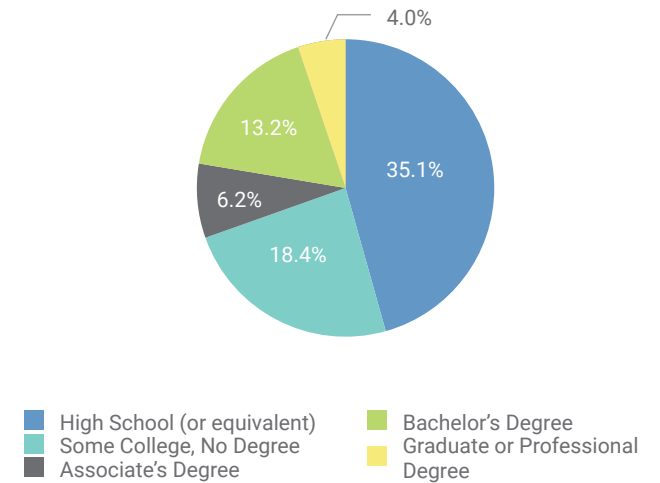
TOTAL HOUSEHOLDS **2,054**

MEDIAN HOUSEHOLD INCOME **\$52K**

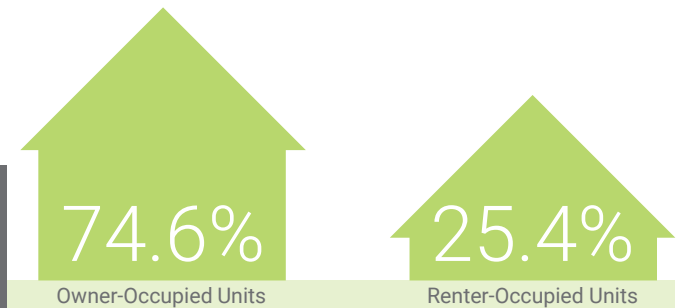
POPULATION BY AGE



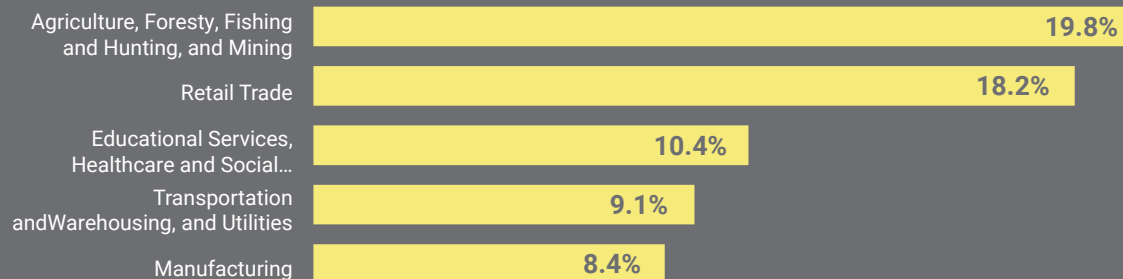
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT

\$591

MEDIAN HOME VALUE

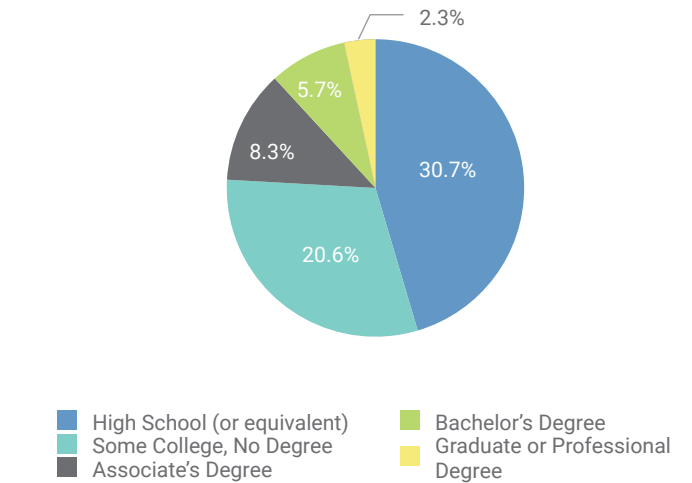
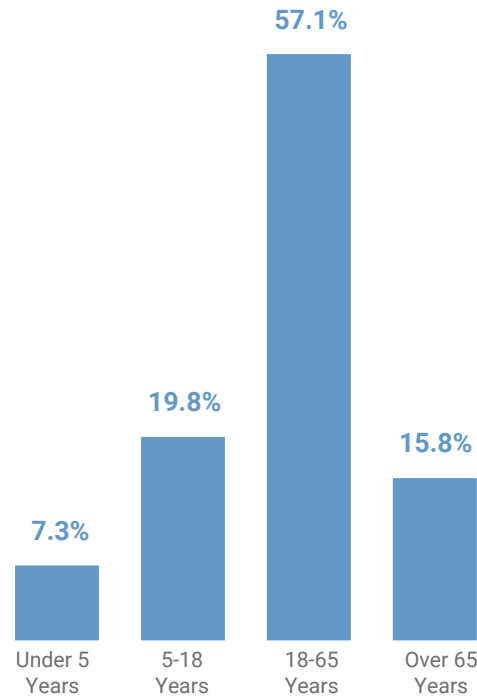
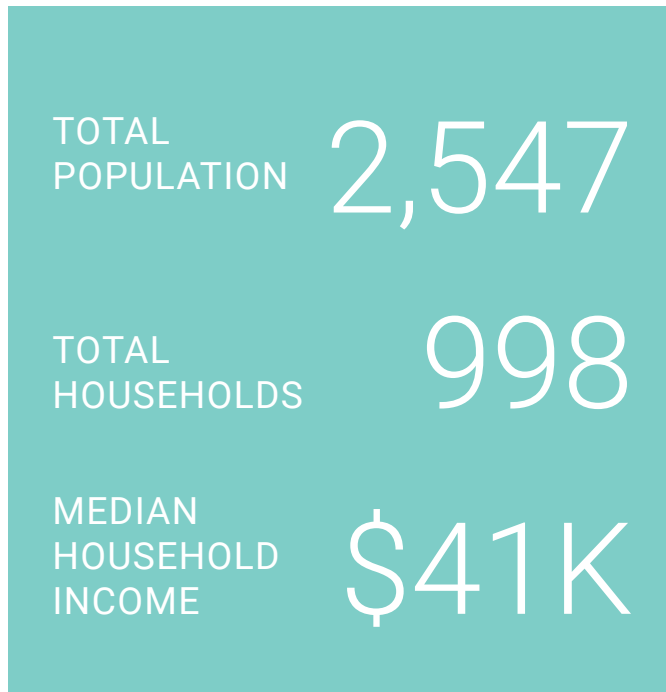
\$70K

COCHRAN

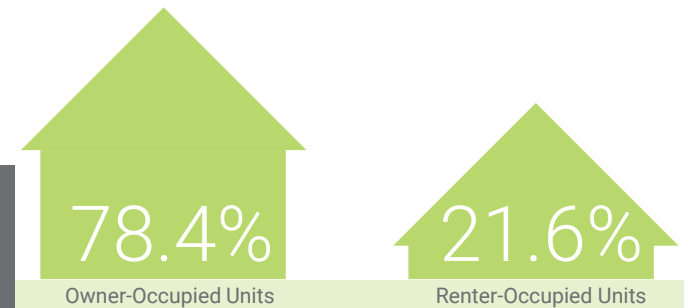
COUNTY

POPULATION BY AGE

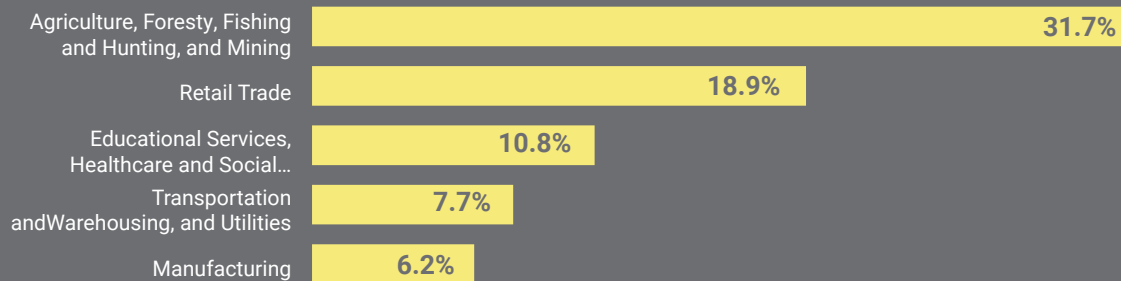
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT **\$536**

MEDIAN HOME VALUE **\$39K**

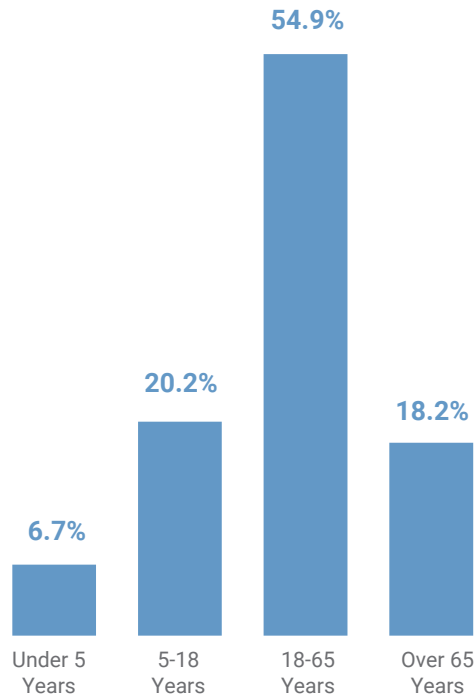
CROSBY COUNTY

TOTAL POPULATION **5,133**

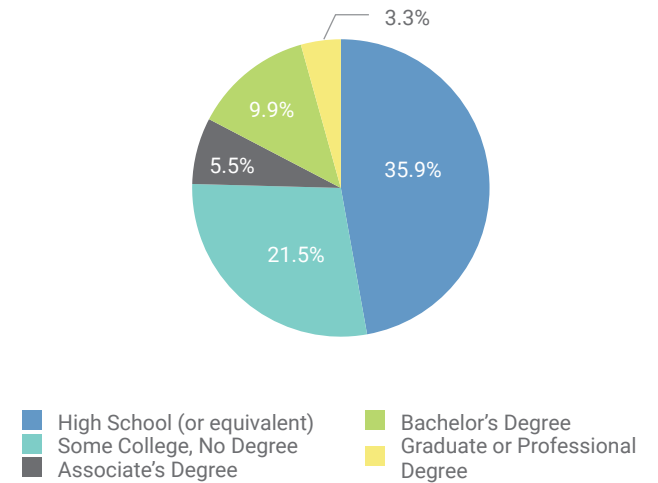
TOTAL HOUSEHOLDS **2,061**

MEDIAN HOUSEHOLD INCOME **\$41K**

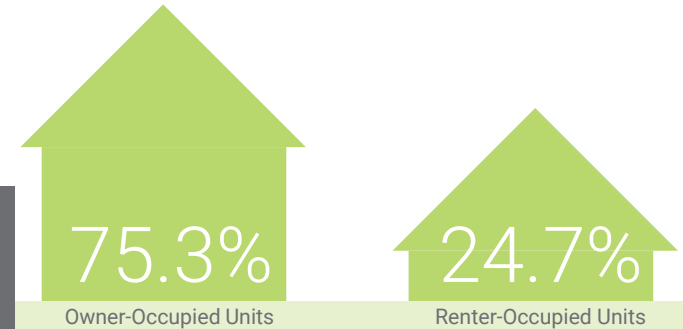
POPULATION BY AGE



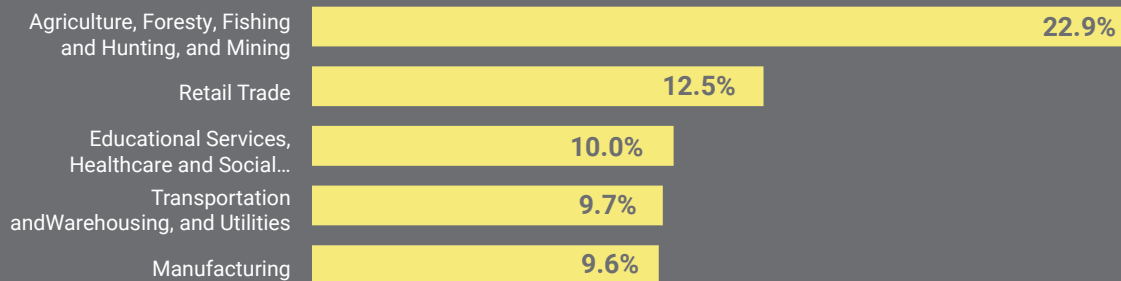
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES

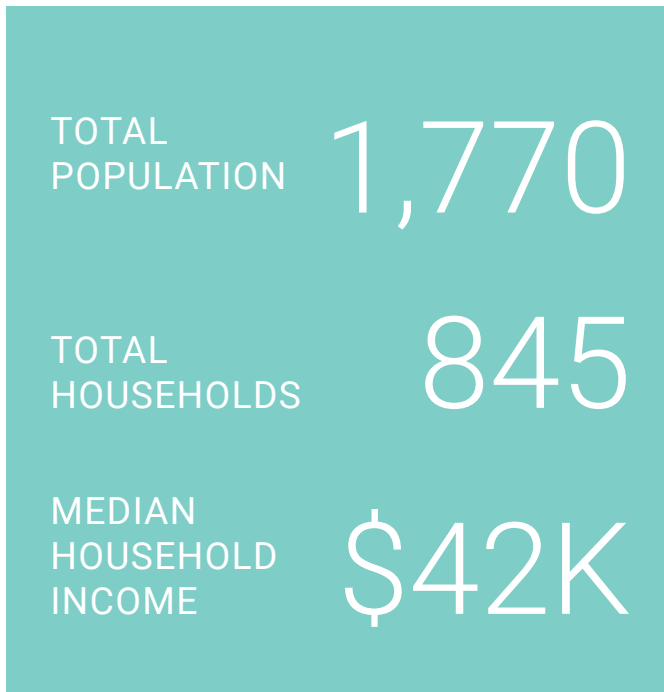


MEDIAN GROSS RENT **\$593**

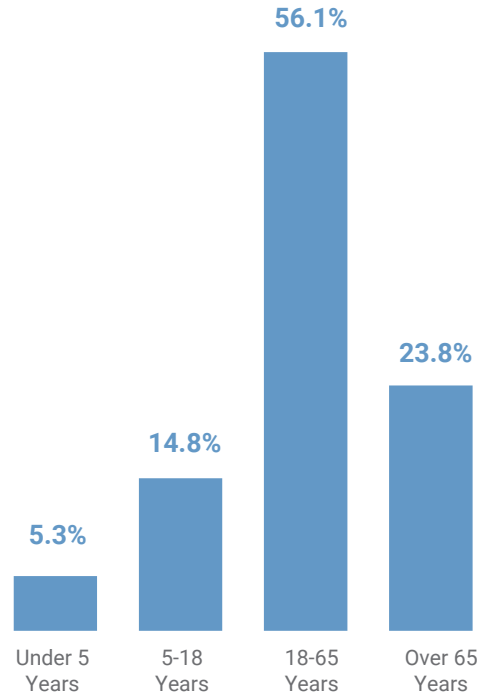
MEDIAN HOME VALUE **\$61K**

DICKENS

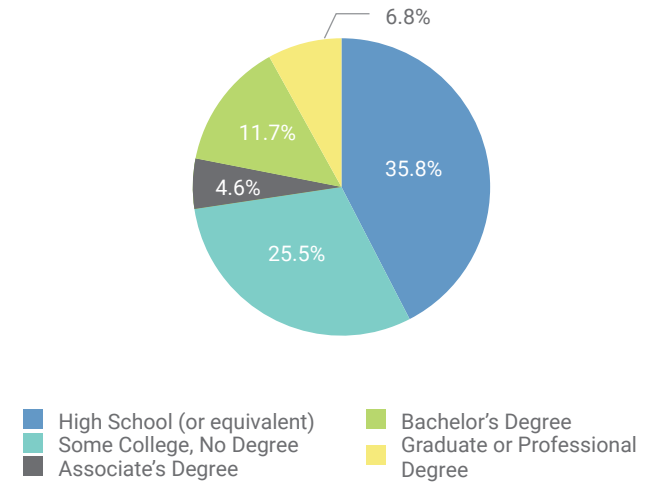
COUNTY



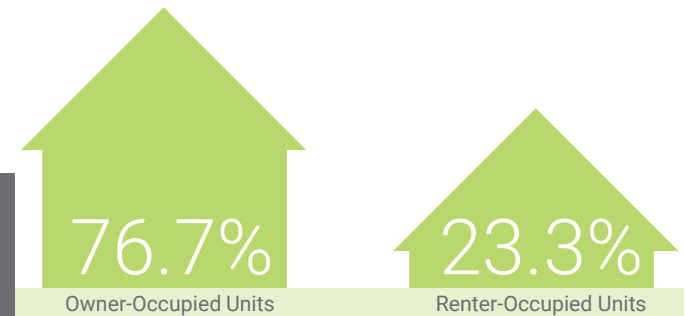
POPULATION BY AGE



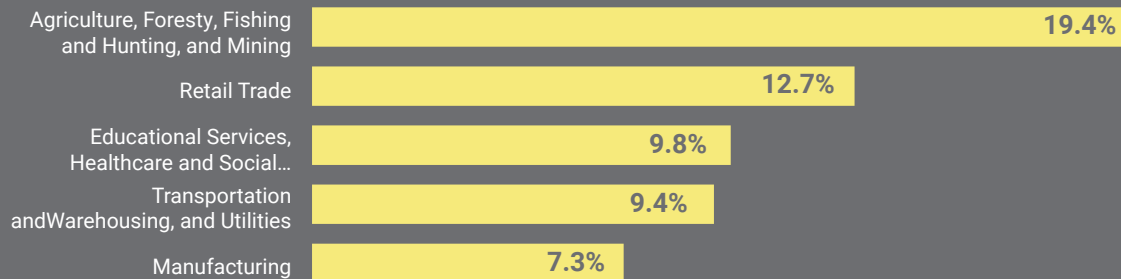
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT **\$509**

MEDIAN HOME VALUE **\$51K**

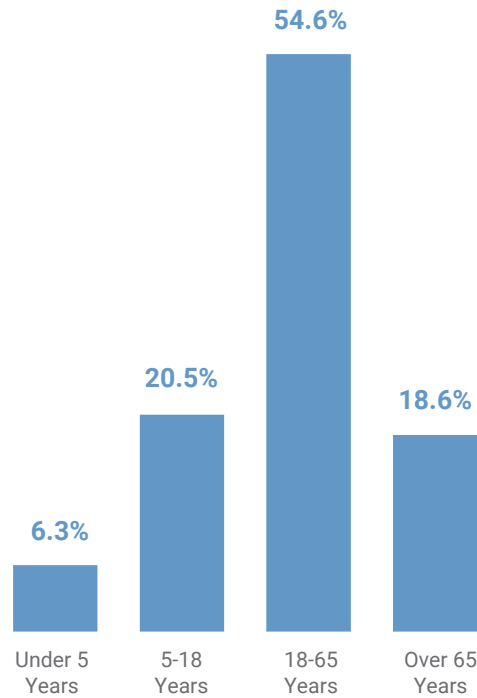
FLOYD COUNTY

TOTAL POPULATION **5,402**

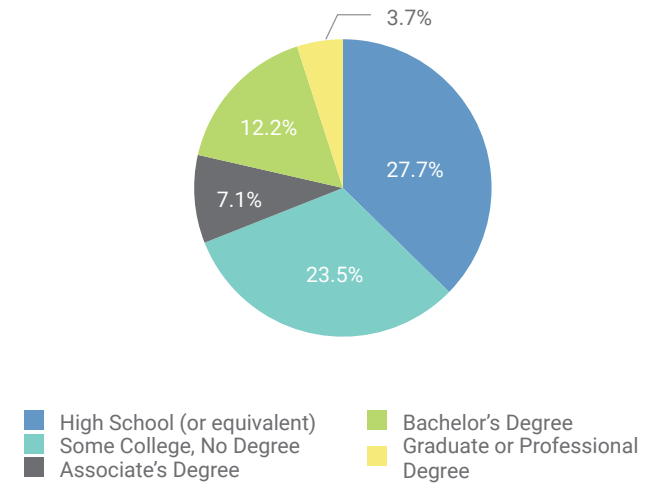
TOTAL HOUSEHOLDS **2,271**

MEDIAN HOUSEHOLD INCOME **\$51K**

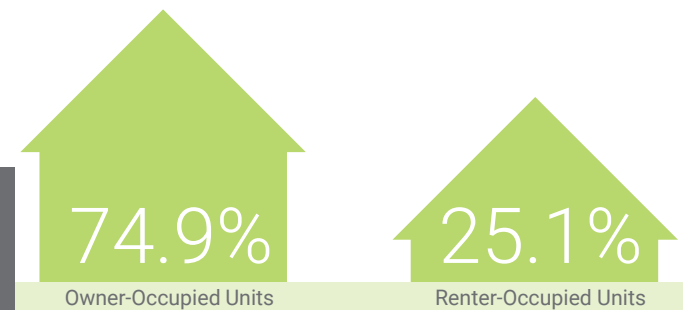
POPULATION BY AGE



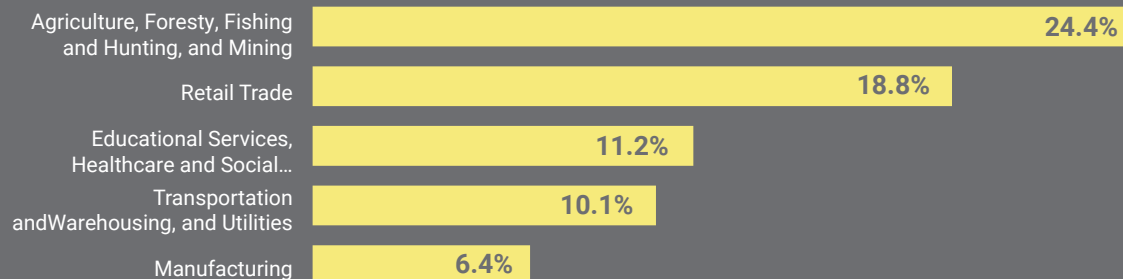
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT

\$724

MEDIAN HOME VALUE

\$64K

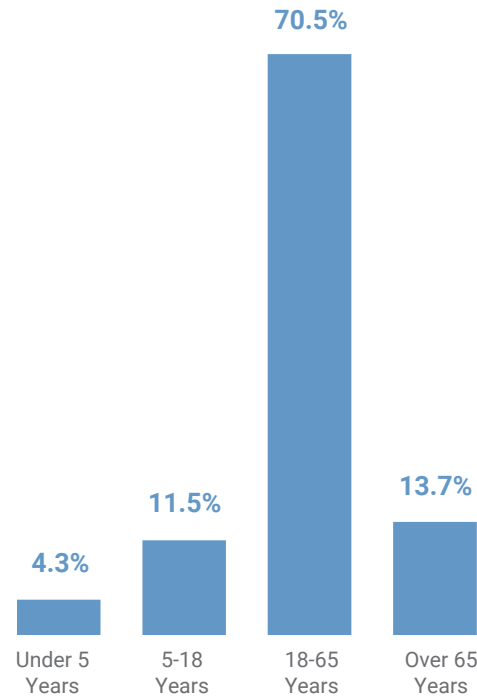
GARZA COUNTY

TOTAL POPULATION **5,816**

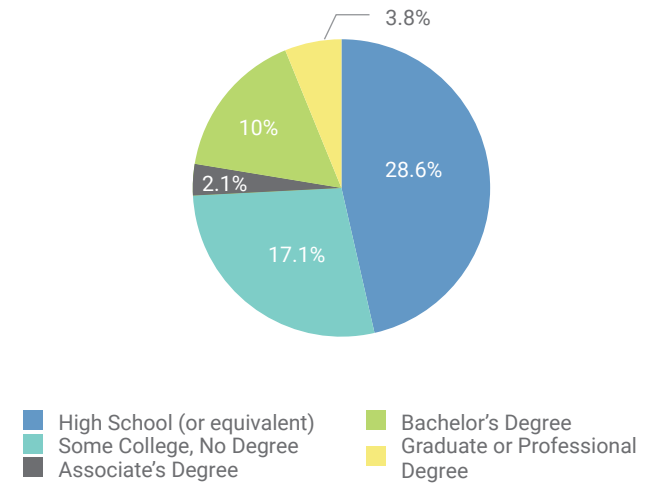
TOTAL HOUSEHOLDS **1,543**

MEDIAN HOUSEHOLD INCOME **\$50K**

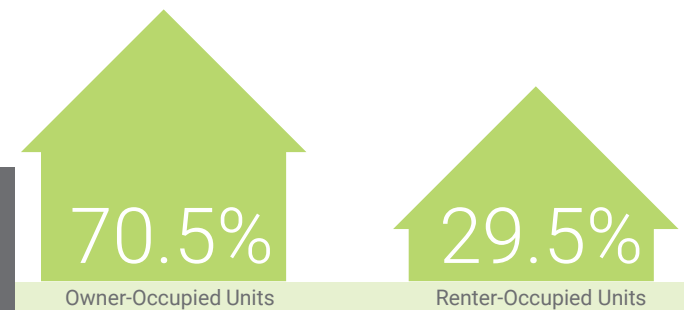
POPULATION BY AGE



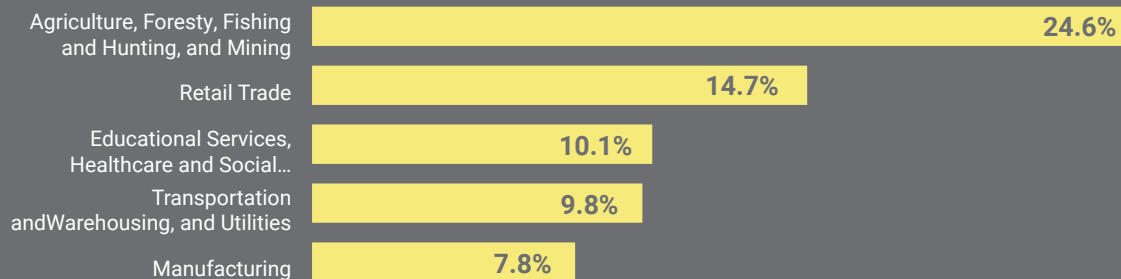
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT **\$775**

MEDIAN HOME VALUE **\$79K**

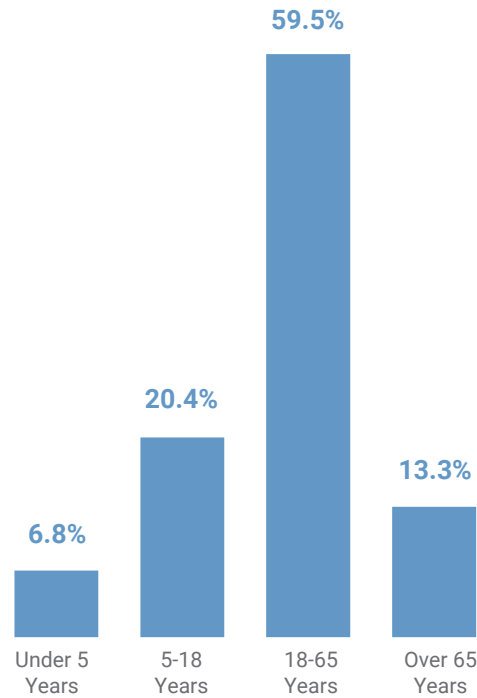
HALE COUNTY

TOTAL POPULATION **32,522**

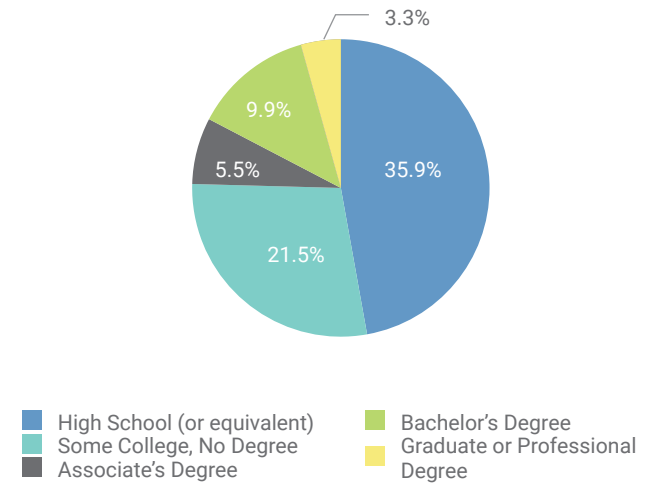
TOTAL HOUSEHOLDS **10,933**

MEDIAN HOUSEHOLD INCOME **\$48K**

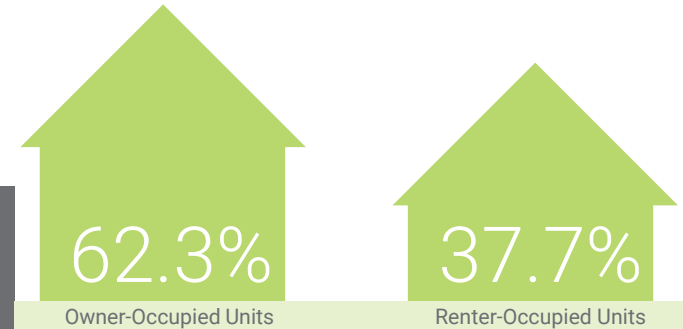
POPULATION BY AGE



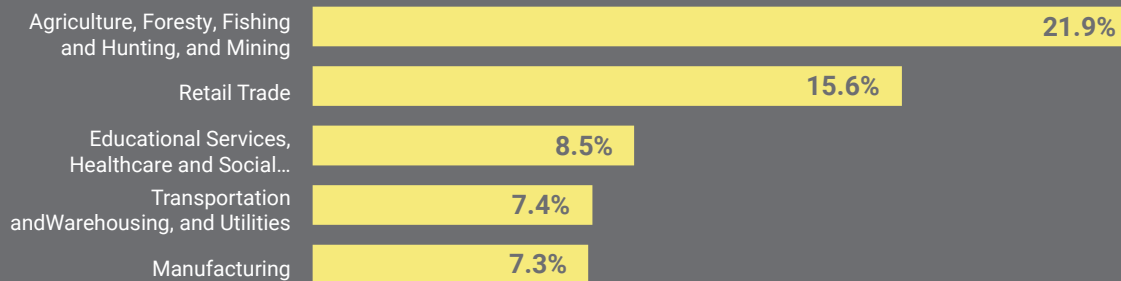
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT **\$647**

MEDIAN HOME VALUE **\$83K**

HOCKLEY

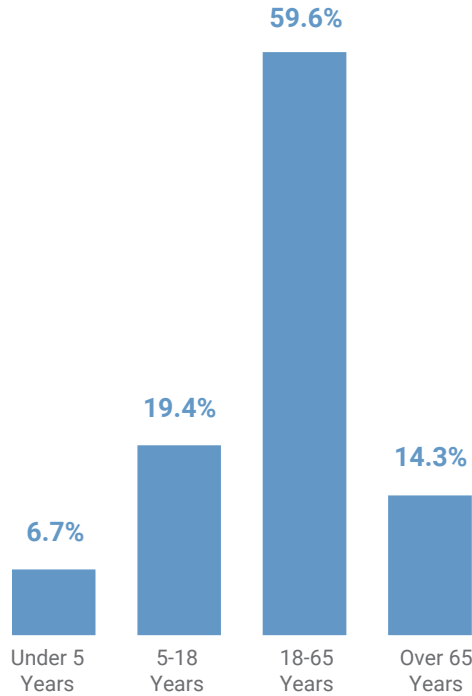
COUNTY

TOTAL POPULATION **21,537**

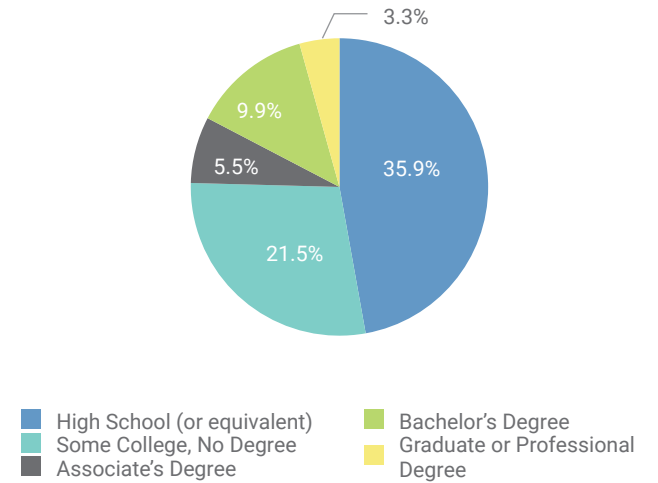
TOTAL HOUSEHOLDS **7,997**

MEDIAN HOUSEHOLD INCOME **\$48K**

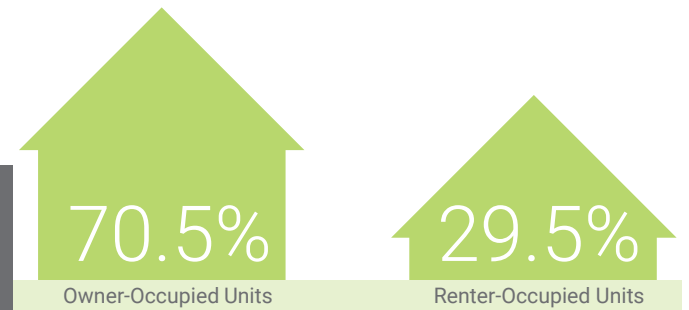
POPULATION BY AGE



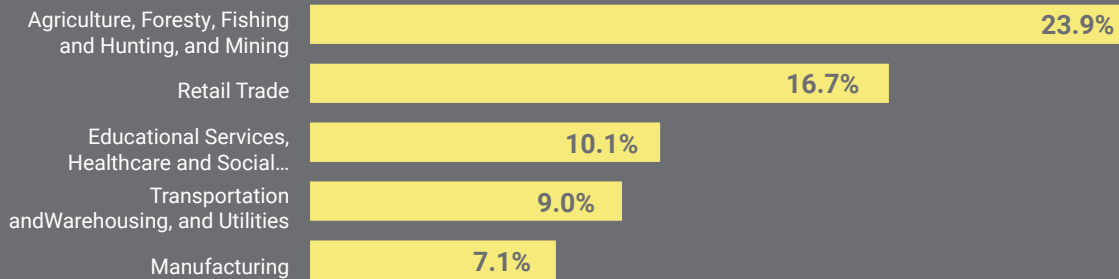
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT **\$696**

MEDIAN HOME VALUE **\$94K**

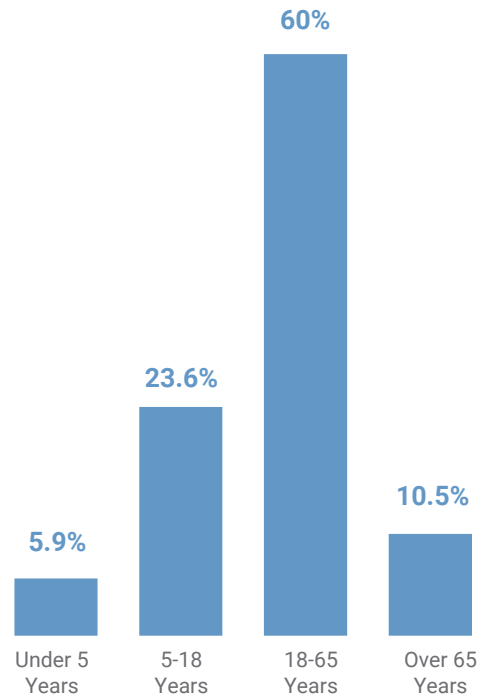
KING COUNTY

TOTAL POPULATION **265**

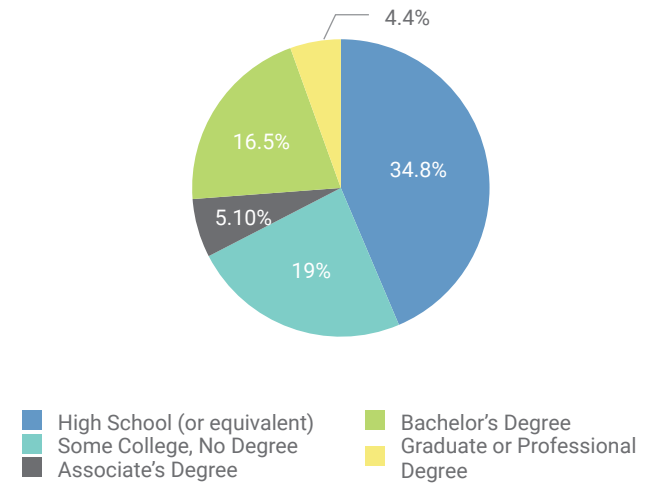
TOTAL HOUSEHOLDS **77**

MEDIAN HOUSEHOLD INCOME **\$52K**

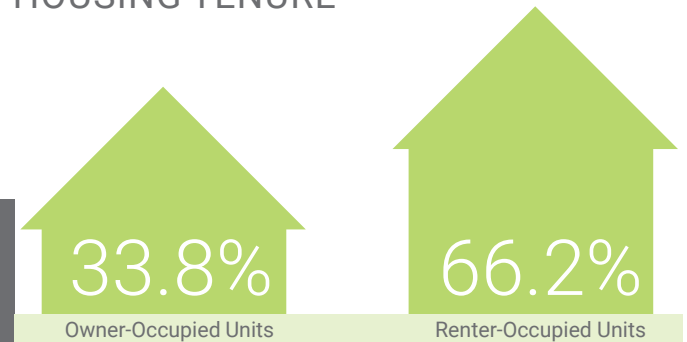
POPULATION BY AGE



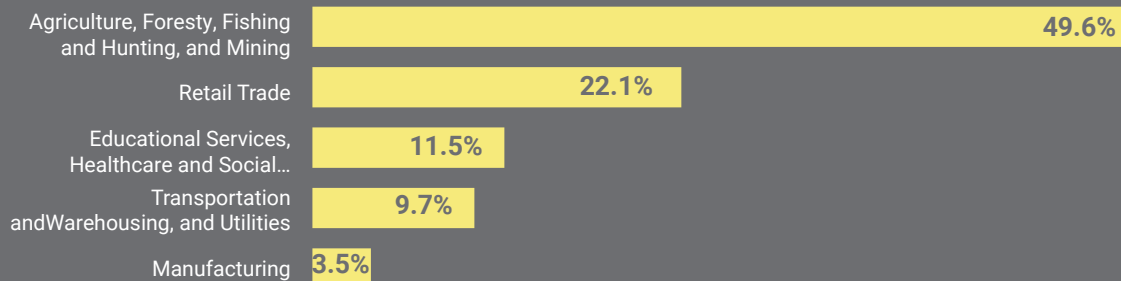
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT **\$658**

MEDIAN HOME VALUE **\$37K**

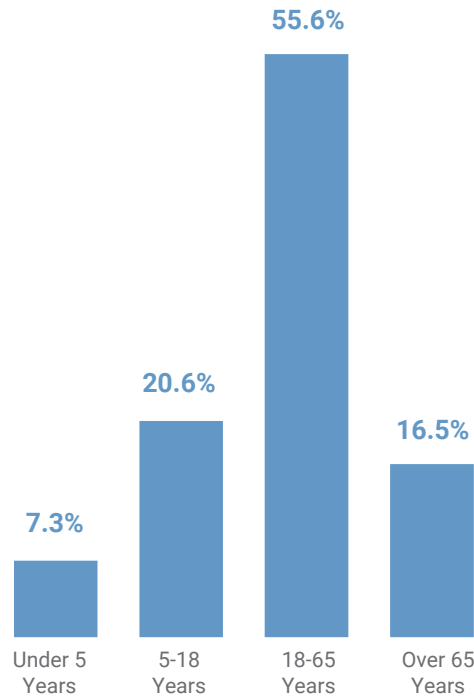
LAMB COUNTY

TOTAL POPULATION **13,045**

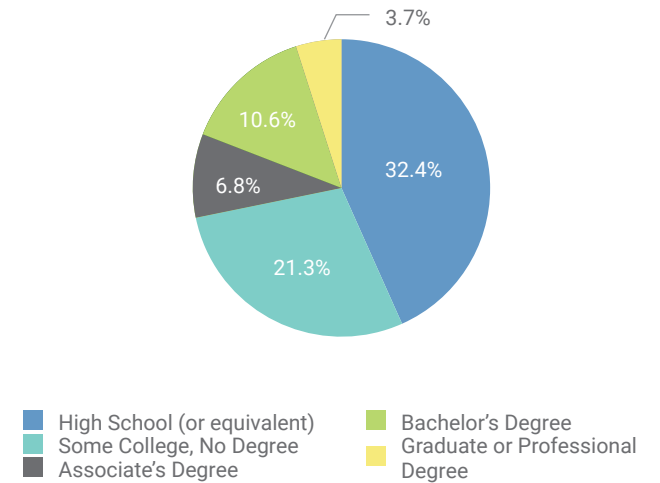
TOTAL HOUSEHOLDS **4,728**

MEDIAN HOUSEHOLD INCOME **\$45K**

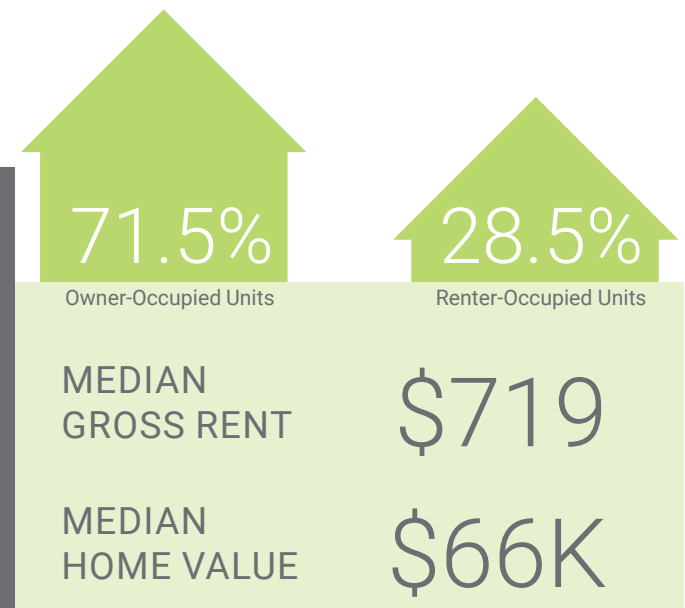
POPULATION BY AGE



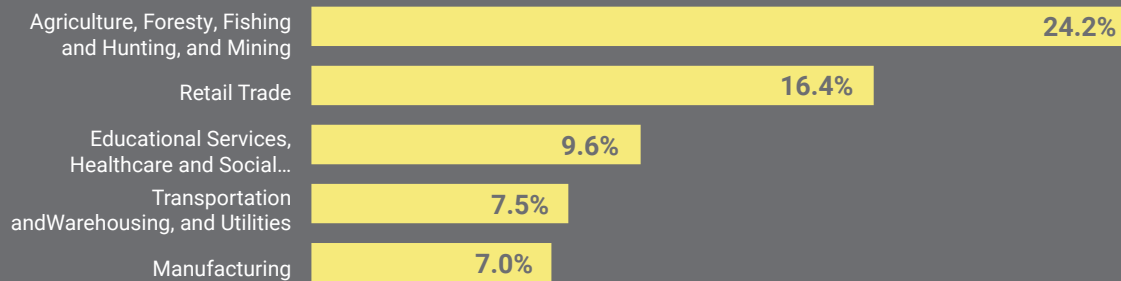
EDUCATIONAL ATTAINMENT



HOUSING TENURE



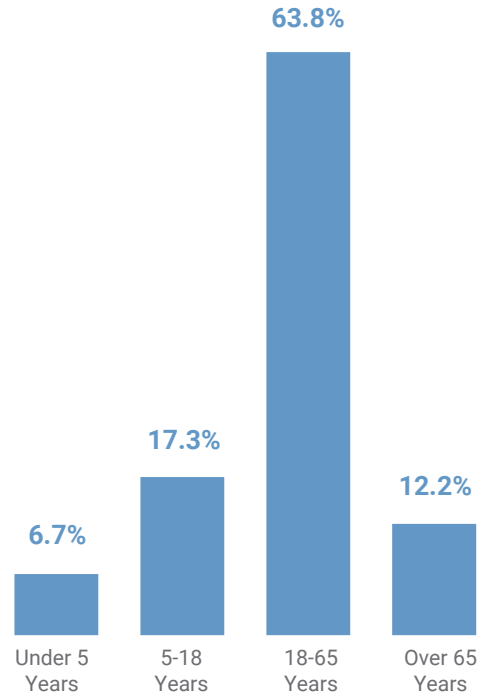
TOP 5 INDUSTRIES



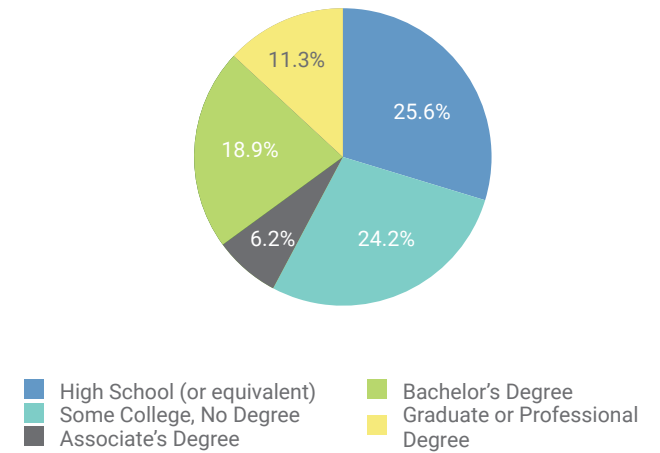
LUBBOCK

COUNTY

POPULATION BY AGE



EDUCATIONAL ATTAINMENT

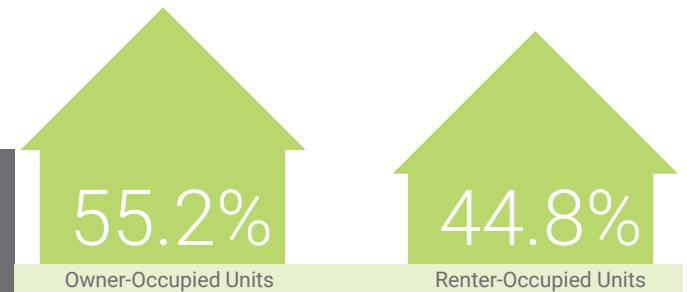


TOTAL POPULATION 310,639

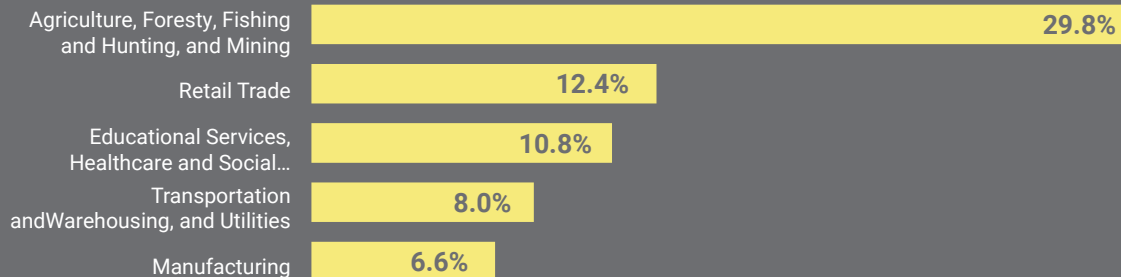
TOTAL HOUSEHOLDS 117,494

MEDIAN HOUSEHOLD INCOME \$55K

HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT

\$940

MEDIAN HOME VALUE

\$140K

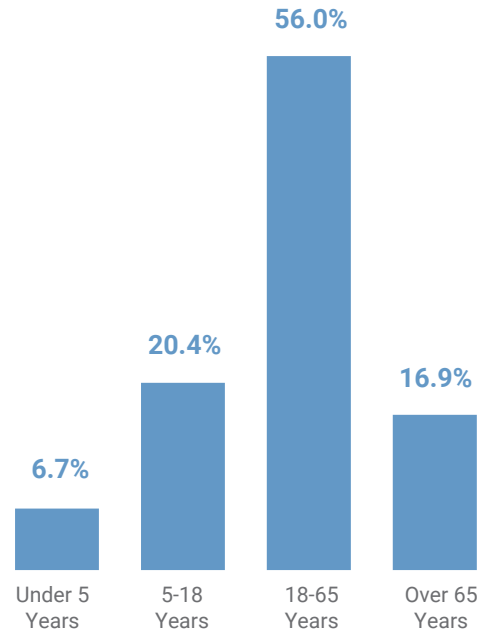
LYNN COUNTY

TOTAL POPULATION **5,596**

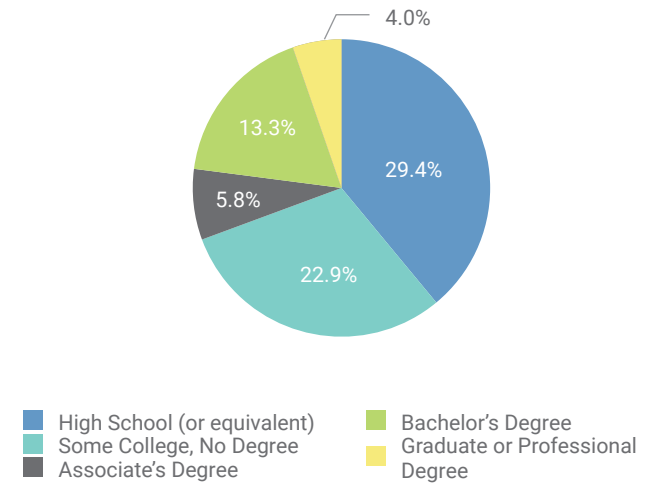
TOTAL HOUSEHOLDS **2,154**

MEDIAN HOUSEHOLD INCOME **\$43K**

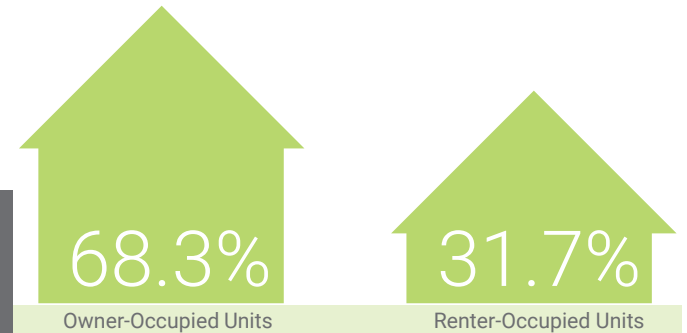
POPULATION BY AGE



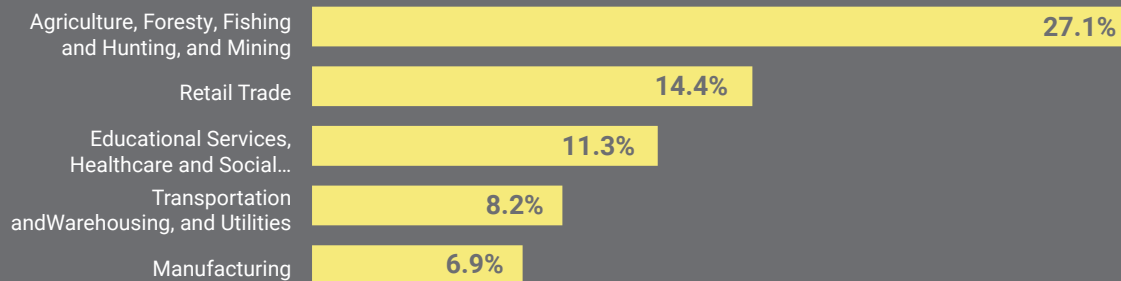
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT **\$748**

MEDIAN HOME VALUE **\$84K**

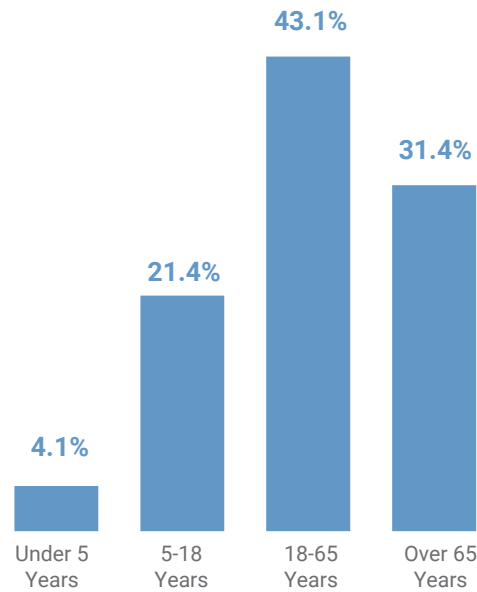
MOTLEY COUNTY

TOTAL POPULATION **1,063**

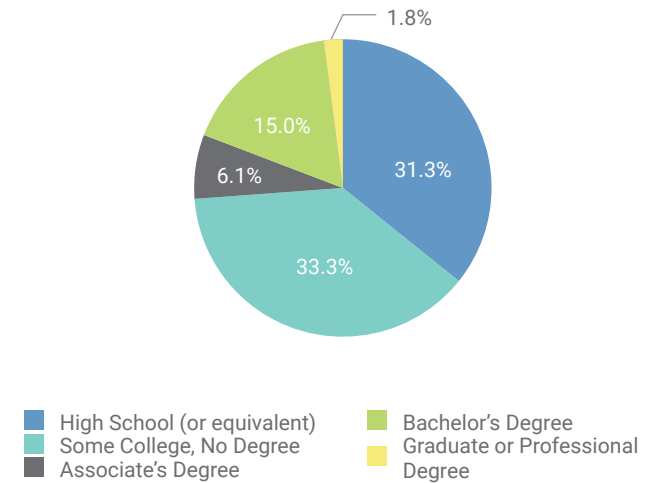
TOTAL HOUSEHOLDS **489**

MEDIAN HOUSEHOLD INCOME **\$44K**

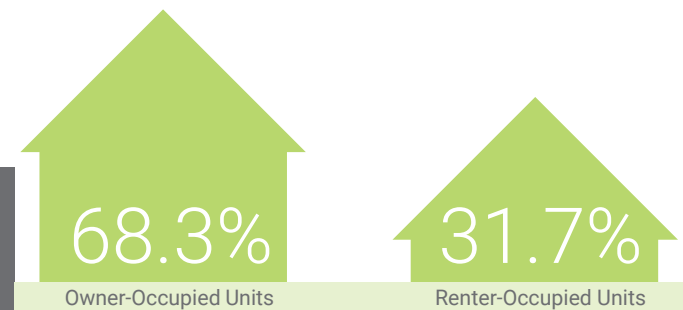
POPULATION BY AGE



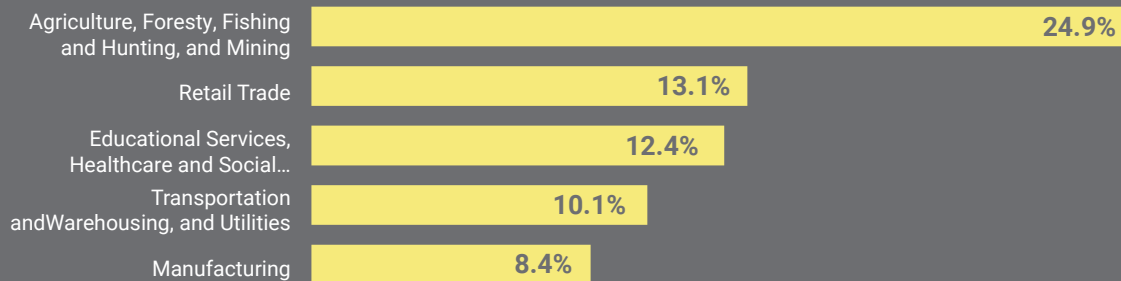
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT **\$624**

MEDIAN HOME VALUE **\$57K**

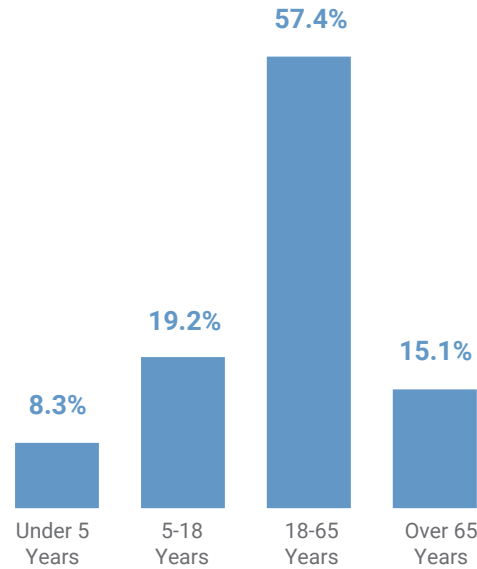
TERRY COUNTY

TOTAL POPULATION **11,831**

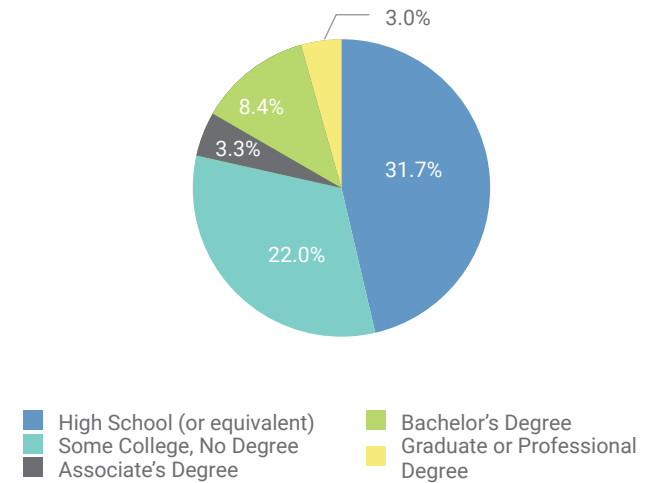
TOTAL HOUSEHOLDS **4,061**

MEDIAN HOUSEHOLD INCOME **\$45K**

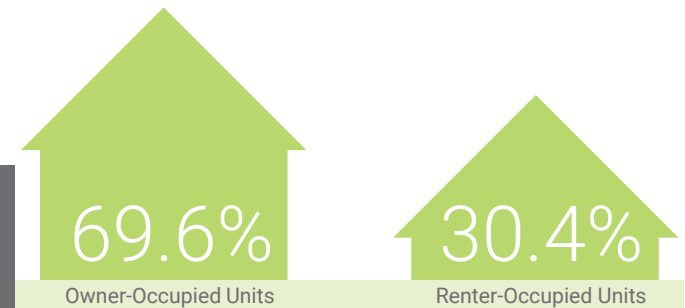
POPULATION BY AGE



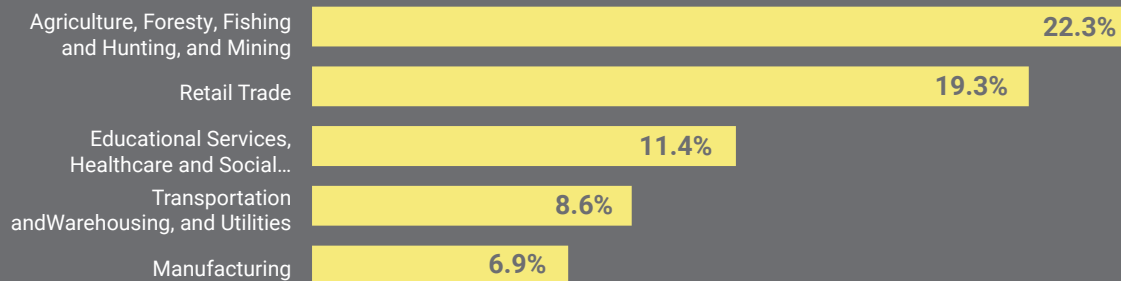
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT **\$701**

MEDIAN HOME VALUE **\$77K**

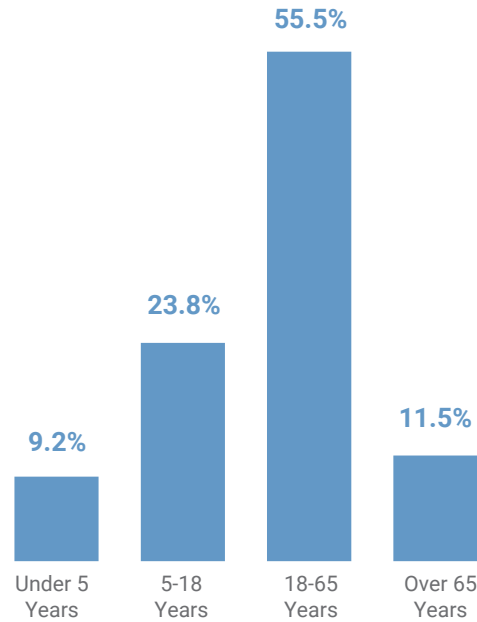
YOAKUM COUNTY

TOTAL POPULATION **7,694**

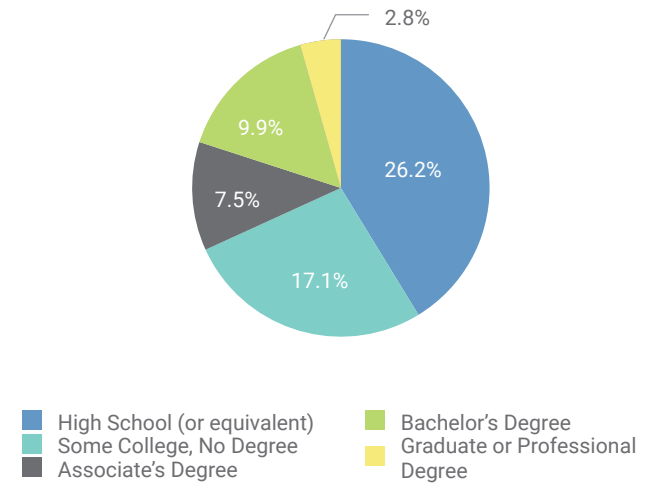
TOTAL HOUSEHOLDS **2,617**

MEDIAN HOUSEHOLD INCOME **\$70K**

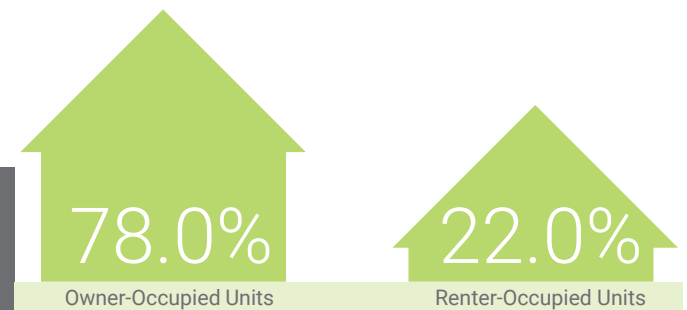
POPULATION BY AGE



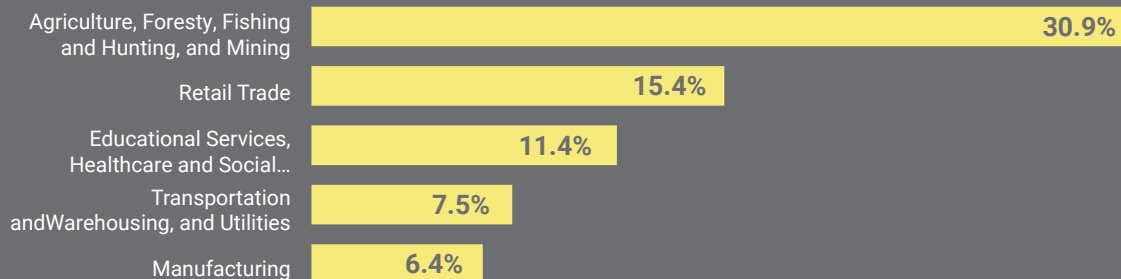
EDUCATIONAL ATTAINMENT



HOUSING TENURE



TOP 5 INDUSTRIES



MEDIAN GROSS RENT

\$820

MEDIAN HOME VALUE

\$116K

Regional Analysis

In the sections to follow, a detailed look at the South Plains demographic, workforce, industry, and occupational characteristics is provided. To allow for projections into the future, the following analyses have been informed by Economic Modeling Specialists, Inc. (EMSI) and Environmental Systems Research Institute (ESRI) models. These third-party modeling companies use historical and national trends to create an algorithm that projects trends into the future; these projections are especially helpful for informing future development plans.

DEMOGRAPHICS & WORKFORCE

Population Trend

As the graphs below indicate, the population trends of Lubbock County and the surrounding region differ greatly. Lubbock County's population comprises approximately 72% of the total SPEDD population. Between 2016 and 2021, Lubbock County's population increased by more than 16,000 people, or about 5%. By 2026, the population is expected to reach 338,434.

In the rest of the South Plains region, the population can be seen to have decreased between 2016 and 2021 by more than 3,000, or just over 2%. The population has decreased by relatively small margins in recent years but is expected to stabilize in the next five. This population decline observed in the rural part of the South Plains region is happening throughout the nation; while cities and urban areas see considerable population growth, the populations of small towns and less-densely populated regions are declining.

LUBBOCK COUNTY POPULATION TREND

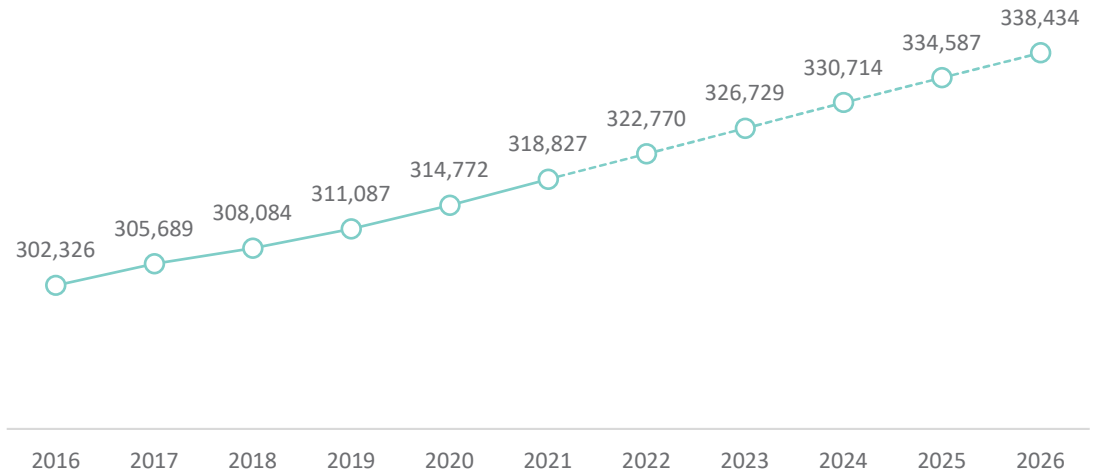


Figure 1: Lubbock County Population Trend. Source: EMSI, 2021

SURROUNDING REGION POPULATION TREND

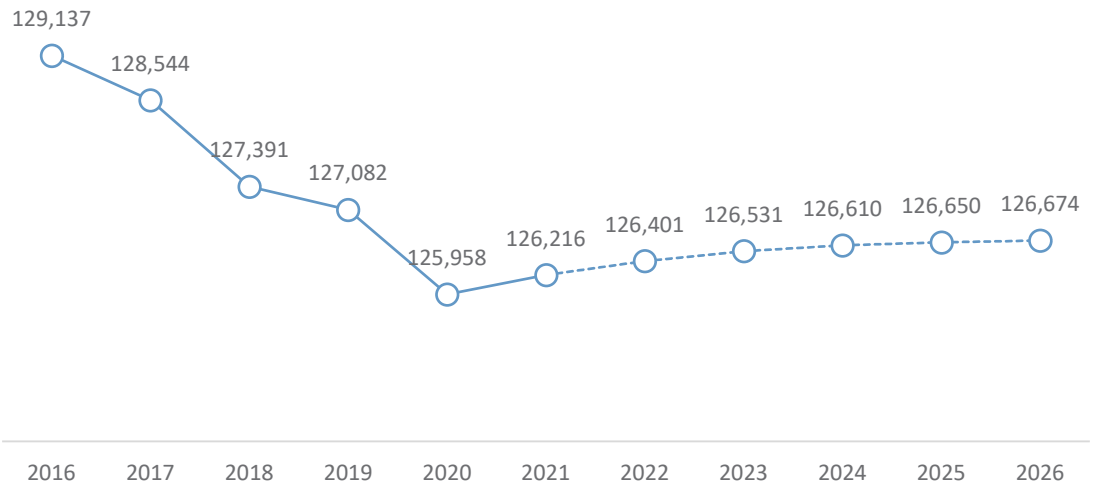


Figure 2: Surrounding Region Population Trend. Source: EMSI, 2021

Age

The population in Lubbock County is young. This is likely due, in part, to the presence of Texas Tech University in the county, but also to the urban characteristics of Lubbock and its county. There are many work opportunities, recreational activities, and events that attract a younger population to the area. The median age of Lubbock County is 32.7 years, which is more than 6 years younger than the national median age (38.8 years). As the graph below indicates, the age distribution in the county is expected to remain relatively constant in the next 5 years; there is, however, a slight increase expected in the population above 65 years old. This growth in the elderly population is not unique to Lubbock County and can be observed in communities across the country.

The age distribution of the surrounding region is comparable to that of Lubbock County. At 35.9 years, the region’s median age is still lower than the national median. The age distribution is not expected to change much by 2026; as with Lubbock County, though, a slight increase in the 65+ population is to be expected.

LUBBOCK COUNTY AGE DISTRIBUTION

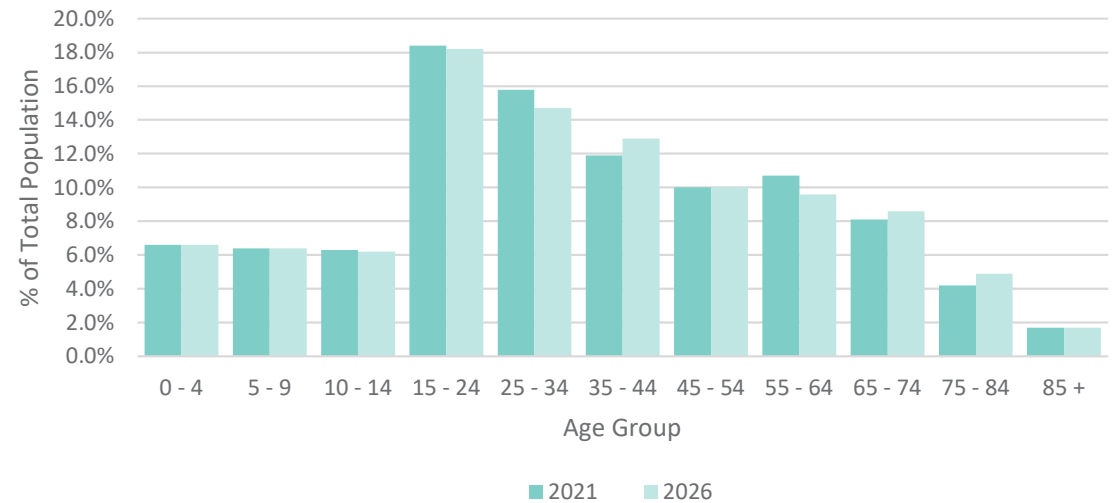


Figure 3: Lubbock County Age Distribution. Source: ESRI, 2021

SURROUNDING REGION AGE DISTRIBUTION

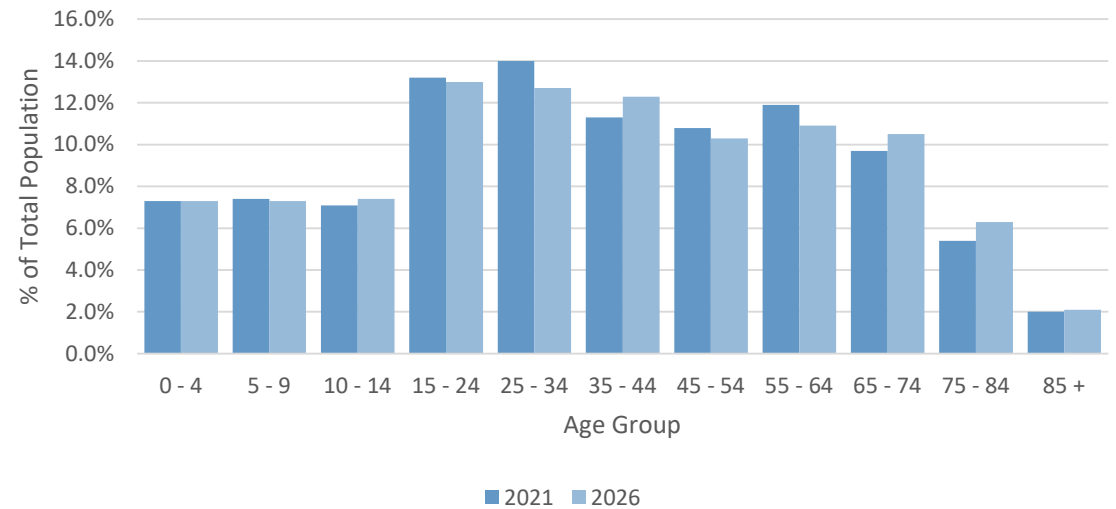


Figure 4: Surrounding Region Age Distribution. Source: ESRI, 2021

Race

The graph below presents information on the racial makeup of the South Plains region. Both Lubbock County and the surrounding area are predominantly white. Black and Asian populations comprise slightly higher percentages of the total population in Lubbock County than in the rest of the region. In the surrounding region, however, a substantial percentage of the population (18.4%) is comprised of individuals who belong to the “Some Other Race Alone” category.

In 2021, 42.8% of the SPEDD region’s population was of Hispanic origin, up from 38% in 2010. That figure is projected to increase in the coming years. As the Hispanic population grows in the region, certain measures should be taken to ensure proper equity and inclusion standards are met in the local economy.

POPULATION BY RACE

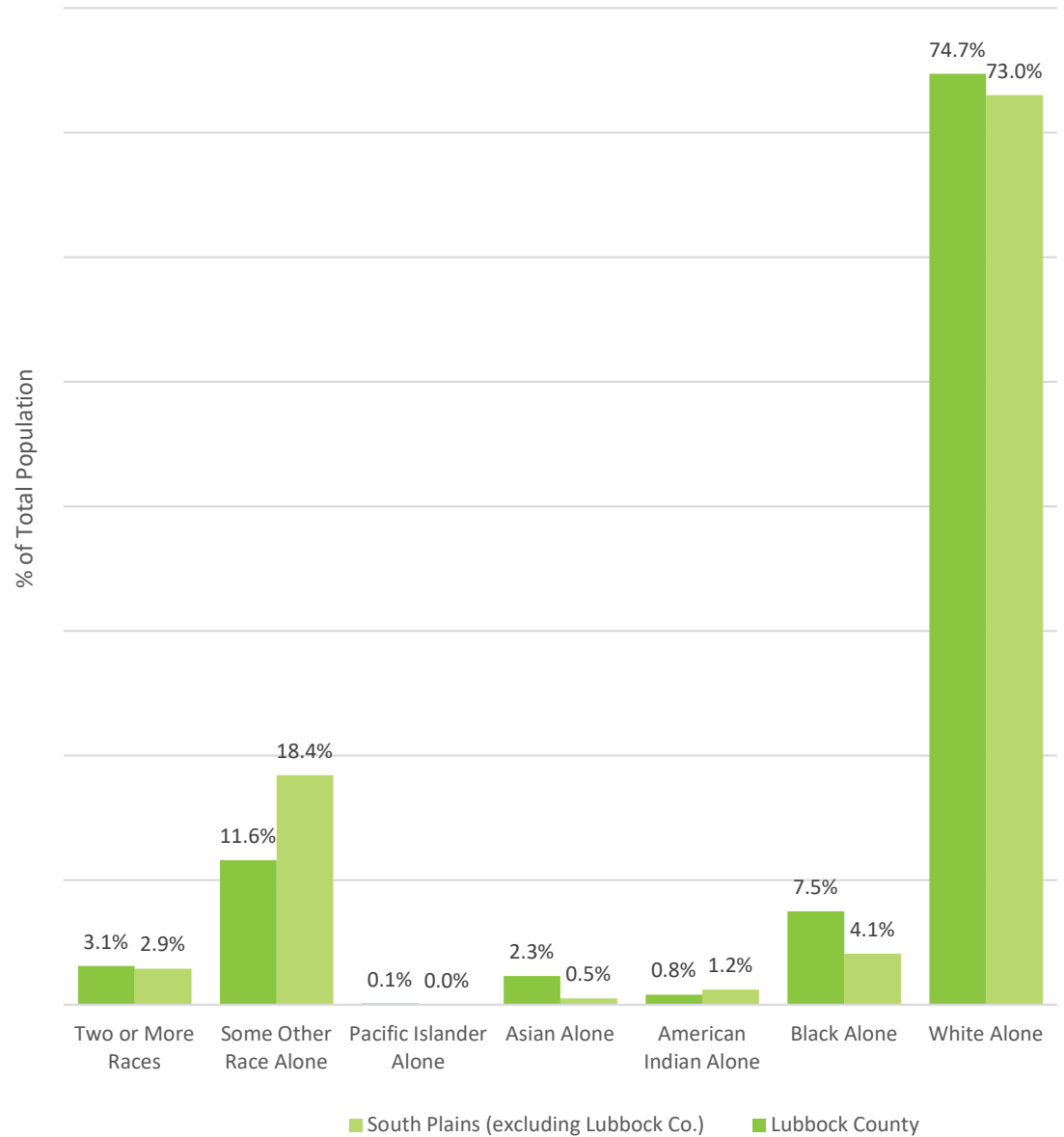


Figure 5: Lubbock County and Surrounding Region Population by Race. Source: ESRI, 2021

LUBBOCK COUNTY & SURROUNDING REGION EDUCATIONAL ATTAINMENT

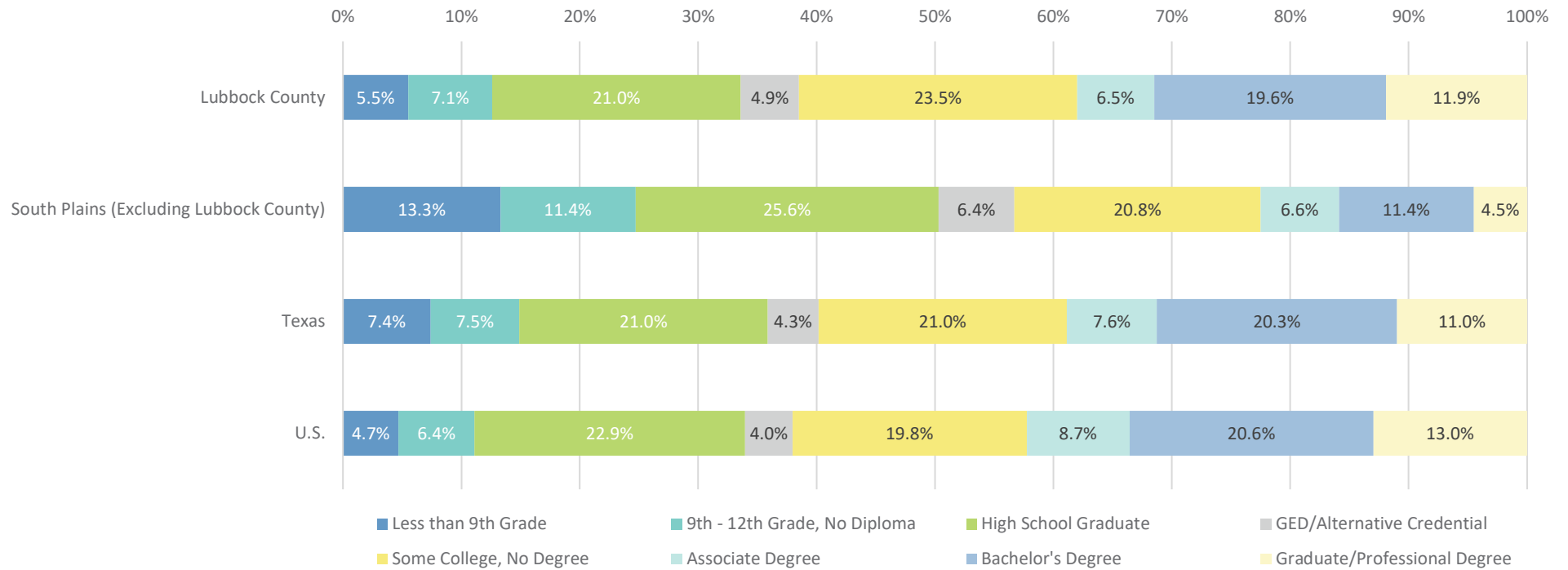


Figure 6: Lubbock County and Surrounding Region Educational Attainment. Source: ESRI, 2021

Educational Attainment

Lubbock County has educational attainment rates that are comparable to Texas and the rest of the country. About 31.5% of the population holds a bachelor's degree or higher; 11.9% holds a graduate or professional degree. Approximately 12.6% of the population is without a high school degree.

Educational attainment rates are lower in the surrounding region. Nearly 25% of the population (ages 25 and over) has not graduated from high school. Only 16% holds a bachelor's degree or higher, which is about half of Lubbock County's rate. The low educational attainment levels can be, but are not necessarily, a barrier to industry attraction and workforce development.

Household Income

The graphs below measure the median household incomes in the South Plains region. In Lubbock County, the median household income was approximately \$54,000 in 2021. That's about \$10,000 less than the national median. However, the cost of living is also lower in Lubbock County; the median home value in the county (\$176,000) is about \$90,000 less than the national median (\$264,000), which means that general affordability in the county is not necessarily less due to lower household incomes. In 2021, about 54% of households were earning more than \$50,000, annually; by 2026, about 60% of the population is expected to fall above the \$50,000/year threshold.

In the surrounding region, a similar income distribution can be observed. The median household income of the region is slightly lower, at \$50,625. However, the median home value (\$118,000) is even lower than that of Lubbock County. This income distribution is expected to remain relatively constant through 2026.

LUBBOCK COUNTY HOUSEHOLD INCOME DISTRIBUTION



Figure 7: Lubbock County Household Income Distribution. Source: ESRI, 2021

SURROUNDING REGION HOUSEHOLD INCOME DISTRIBUTION

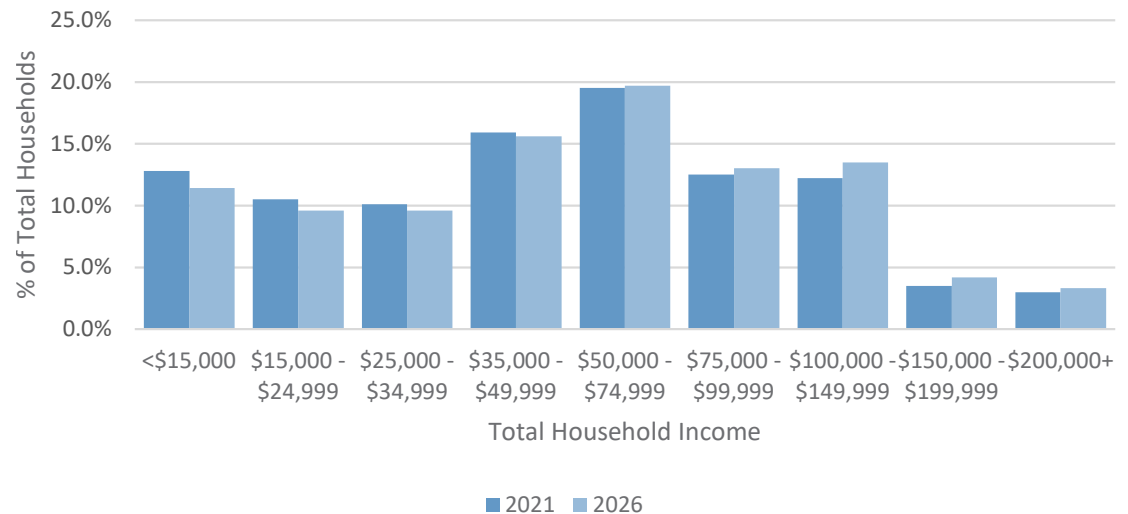


Figure 8: Surrounding Region Household Income Distribution. Source: ESRI, 2021

Housing Tenure

The ratios of owner-occupied units to renter-occupied units in both Lubbock County and the surrounding region have remained constant since 2010 and are expected to remain so through 2026. Homeownership rates in the surrounding region (~67%) are slightly higher than Lubbock County (~57%). About 43% of the population lived in renter-occupied units in Lubbock County in 2021; urban areas typically have higher renter rates, and the data suggest that this trend is upheld in the South Plains region.

Housing Vacancy

An understanding of housing vacancy can be helpful for understanding housing demand, as well as the general state of the local housing stock in the focus area. In Lubbock County, the vacancy rate has remained very stable around 8% between 2000 and 2021; in 21 years, the vacancy rate increased by 0.2 percentage points. By 2026, that rate is expected to fall by approximately 0.3%.

In the surrounding region, the vacancy rate is much higher. In 2021, it reached 17% -- up from 14.7% in 2000. By 2026, that figure is projected to increase to 18.2%. This is considerably higher than the national vacancy rate, which normally fluctuates between 10% and 12%. High vacancy rates could indicate population decline, which would align with the population data presented previously in the report. As the population falls, there is less demand for housing, which can result in lower home values and higher vacancy rates.

LUBBOCK COUNTY HOUSING TENURE

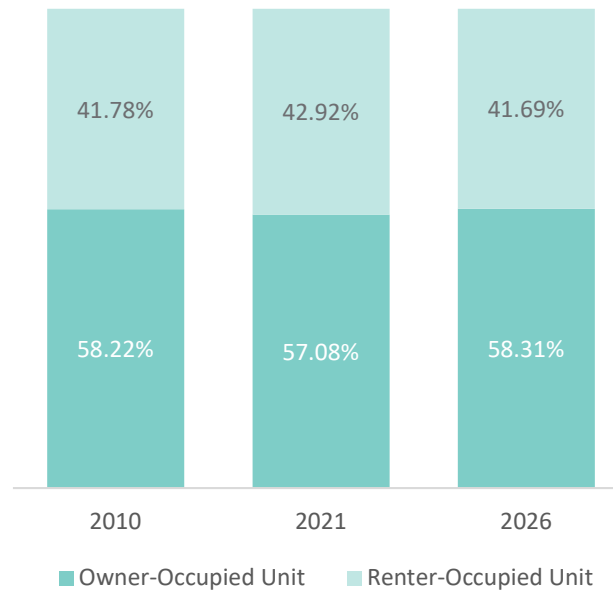


Figure 9: Lubbock County Housing Tenure. Source: ESRI, 2021

SURROUNDING REGION HOUSING TENURE

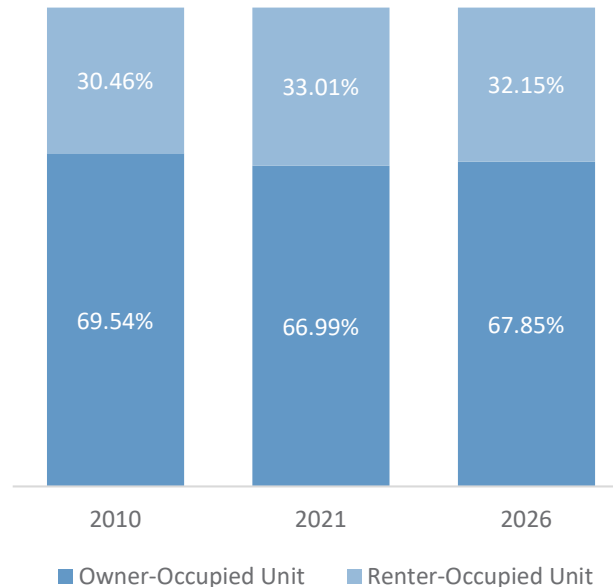


Figure 10: Surrounding Region Housing Tenure. Source: ESRI, 2021

LUBBOCK COUNTY VACANCY RATES

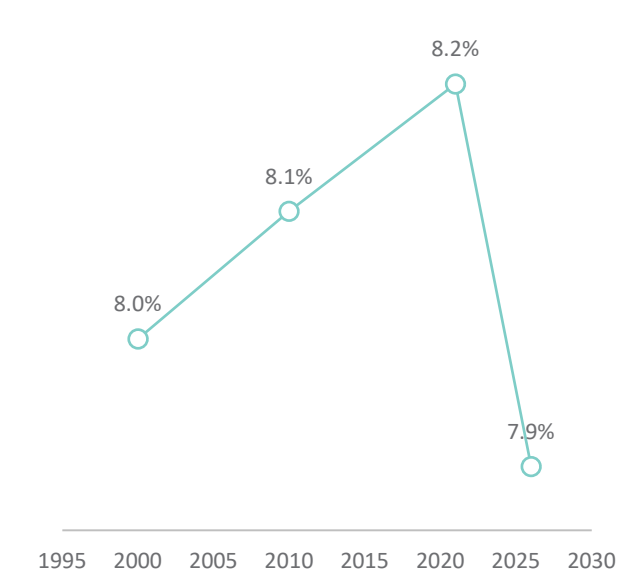


Figure 11: Lubbock County Vacancy Rates. Source: ESRI, 2021

SURROUNDING REGION VACANCY RATE

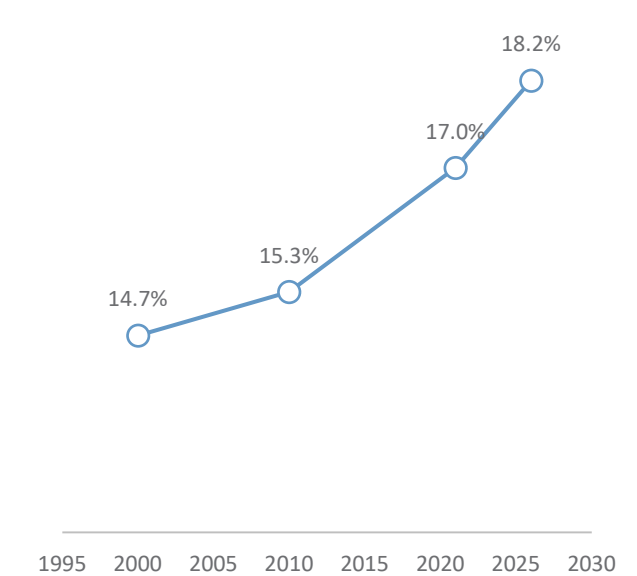


Figure 12: Surrounding Region Vacancy Rates. Source: ESRI, 2021

INDUSTRY & OCCUPATION

Top Industries

In the graphs below, the top industries as measured by total employed are presented. In Lubbock County, a prominence of education-related industries can be observed. About 27,000 people are employed in education industries, with more than 19,000 working in a public or private college or university industry. Additionally, there are a couple of quality-of-place industries with high employment levels; limited- and full-service restaurants, for example, collectively employ more than 14,000 workers. Lastly, it is important to note that some healthcare industries are major employers, as well; general medical and surgical hospitals and offices of physicians employ approximately 8,100 workers in Lubbock County.

In the surrounding region, education-related industries are prominent, as well. However, the top education industries in the surrounding region are different from those in Lubbock County. Around 5,000 workers are employed in elementary and secondary schools. Understandably, many of the top industries are farming industries. For example, animal production, crop productions, farm labor contractors and crew leaders, and private households (an industry which contains residential farms) are all at the top of the list. Farming industries make up the core of the region's economy.

LUBBOCK COUNTY TOP INDUSTRIES (BY TOTAL JOBS)

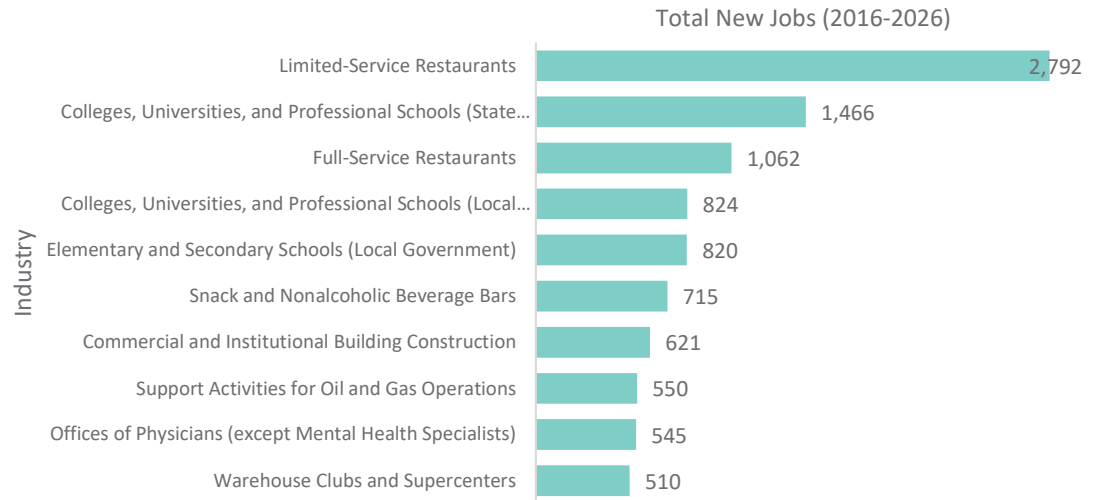


Figure 13: Lubbock County Top Industries. Source: EMSI, 2021

SURROUNDING REGION TOP INDUSTRIES (BY TOTAL JOBS)

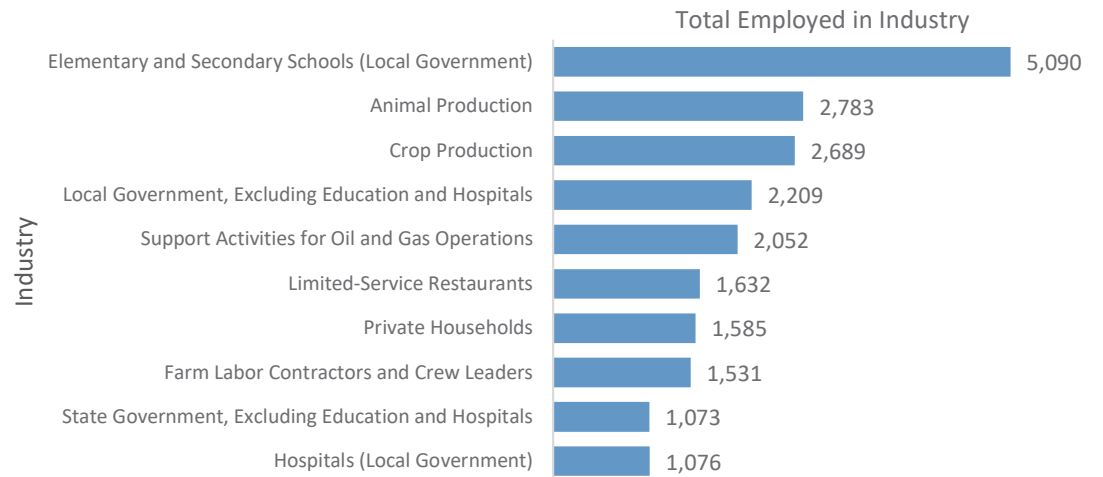


Figure 14: Surrounding Region Top Industries. Source: EMSI, 2021

Fastest-Growing Industries

In order to gauge the potential for industry growth within the focus area, the fastest-growing industries are measured in the graphs below. The data measures growth between 2016 and 2021, and projects to 2026. Many of the industries below are familiar from the “top industries” graphs above. Quality-of-place industries like restaurants and bars are growing within Lubbock County and are expected to have added about 4,500 jobs between 2016 and 2026. Colleges and universities, too, are expected to grow, as are offices of physicians.

In the surrounding South Plains region, the hospital industry is projected to have seen the most growth between 2016 and 2026, adding 661 jobs. Many of the farming-related industries presented in the graph above are projected to grow, as are some quality-of-place industries such as limited- and full-service restaurants.

LUBBOCK COUNTY TOP GROWING INDUSTRIES (2016-2026)

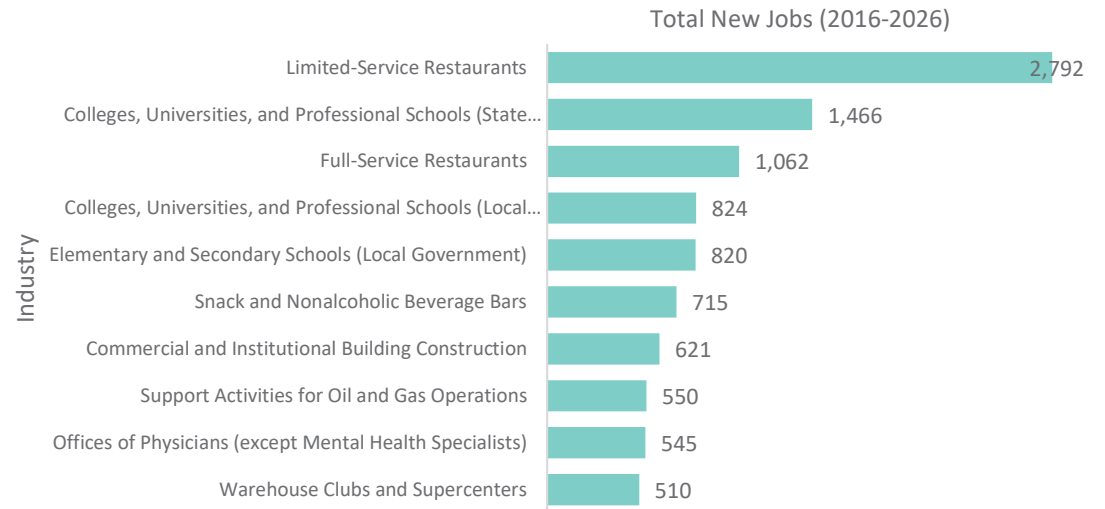


Figure 15: Lubbock County Top Growing Industries. Source: EMSI, 2021

SURROUNDING REGION TOP GROWING INDUSTRIES (2016-2026)

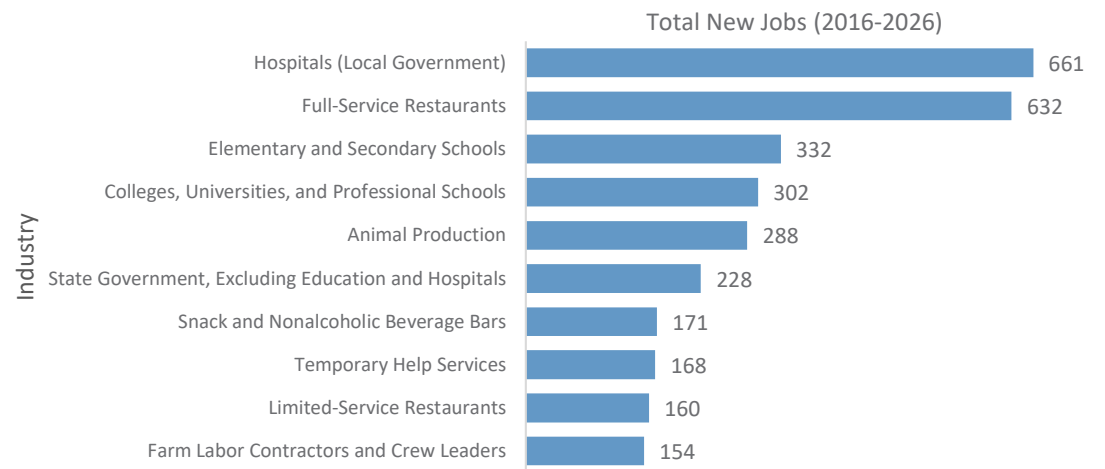


Figure 16: Surrounding Region Top Growing Industries. Source: EMSI, 2021

Oil & Gas Industry Job Trend

The number of workers employed in any given industry indicate employer demand; the greater the employer demand, the better the industry is performing in the broader economy. Industries that employ many workers help drive local economies and are important to support for continued growth. As can be seen in Figure 17, the total number of workers employed in the industry has varied in the last decade. In recent years, it has fallen substantially. Total employment peaked in 2019 at around 5,450 jobs and has fallen to just under 3,800 jobs in 2022. These trends should continue to be monitored; in order to minimize the negative effects of economic shocks, industry diversification should be prioritized in regional economic development planning.

Oil & Gas Industry Gross Regional Product

Gross Regional Product, or GRP, measures the final market value of all goods and services produced in the region of study. GRP is the sum of total industry earnings, taxes on production & imports, and profits, minus subsidies. The GRP can indicate the health of an industry, as well as its importance to the local economy. The Mining, Quarrying, and Oil and Gas Extraction industry plays a significant role in the South Plains economy. Historically, this industry is known to be a volatile one, and the graph below reflects some of the industry's change in the last ten years. In 2014 the GRP peaked at nearly \$2.4 billion dollars; by 2020, it had fallen by about 55 percent, or to \$1.1 billion. As industry demand changes, so will the local economy built around it. The GRP can be seen to follow a similar trend line to the employment figures depicted in the previous graph.

MINING, QUARRYING, AND OIL AND GAS EXTRACTION JOBS

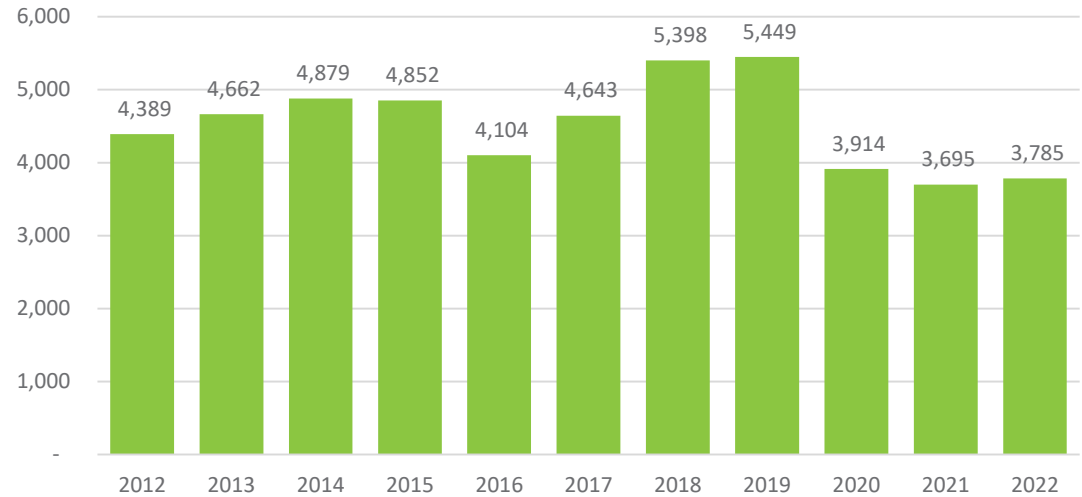


Figure 17: Mining, Quarrying, and Oil and Gas Extraction Jobs. Source: EMSI, 2022

MINING, QUARRYING, AND OIL AND GAS EXTRACTION GRP

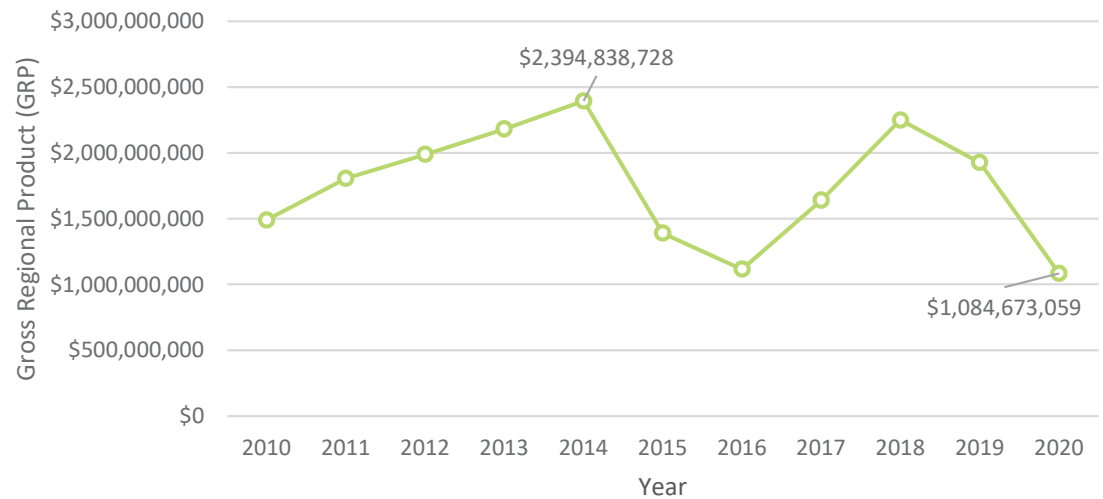


Figure 18: Mining, Quarrying, and Oil and Gas Extraction GRP. Source: EMSI, 2022

Industry Concentration

To measure industry concentration, the location quotient was used. Location quotient measures the concentration of any given industry within the defined region as it relates to other, similar regions throughout the country. For example, if an industry in the South Plains region location quotient is '5', that means that the industry is five times as concentrated in South Plains as it is in other comparable counties throughout the United States.

As can be seen in the graphs below, most of the highly concentrated industries in the region are farming related. In Lubbock County, the "Soybean and Other Oilseed Processing" industry is nearly 25 times more concentrated than in other similar counties. Cotton ginning, farm product warehousing and storage, wind electric power generation and drive-in theaters all have location quotients above 12. The county has 236 industries with location quotients greater than 1, which indicates a diversified economy. Diversified economies are more resilient in dealing with economic shocks.

At the regional level, there is an extremely high concentration of the cotton ginning industry; this industry is 281 times more concentrated in the region than in other regions throughout the country. This can be an opportunity for economic growth; highly concentrated industries are often good for attracting business from outside of the region. If consumers in surrounding areas are unable to find the good or service in their area, they're more likely to spend their money in the South Plains region. As with Lubbock County, the surrounding region has a high number of highly concentrated industries. 157 industries have location quotients of greater than 1, which indicates diversity of industry within the region.

LUBBOCK COUNTY MOST HIGHLY CONCENTRATED INDUSTRIES

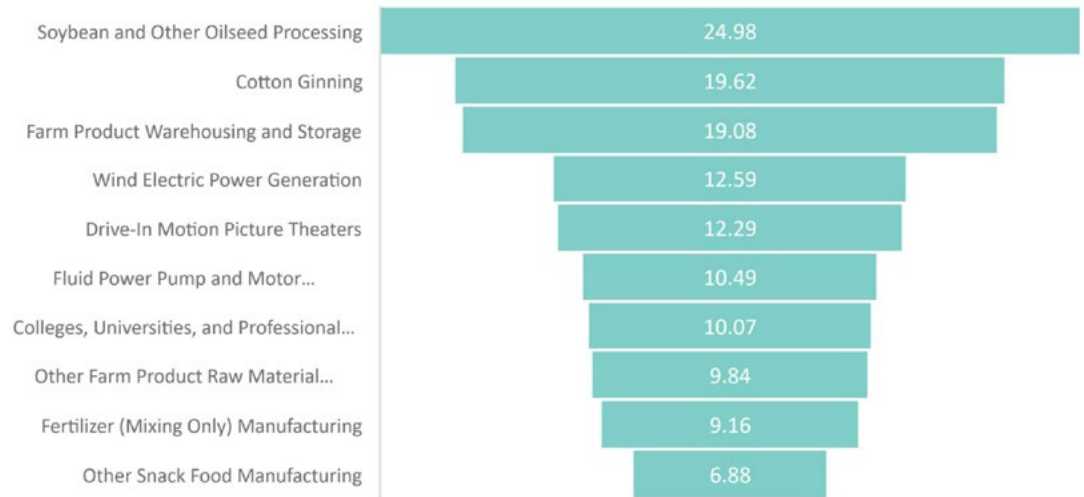


Figure 19: Lubbock County Most Highly Concentrated Industries. Source: EMSI, 2021

SURROUNDING REGION MOST HIGHLY CONCENTRATED INDUSTRIES

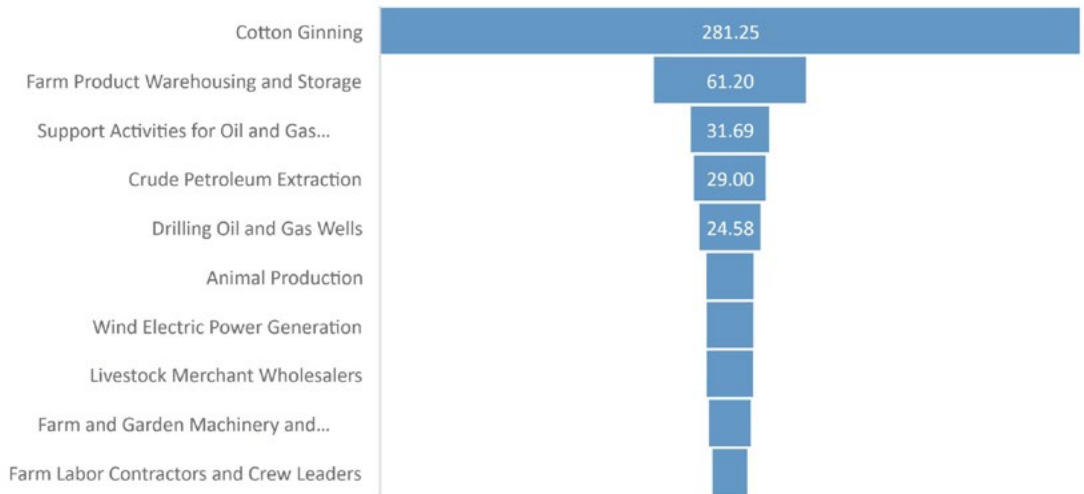


Figure 20: Surrounding Region Most Highly Concentrated Industries. Source: EMSI, 2021

Top Occupations

Much of the occupation data corresponds with the industry data presented previously. In Lubbock County, the top two occupations are in service industries. Fast food and counter workers and retail salespersons comprise much of the worker population; more than 12,000 are employed in these occupations. There are many employed in education-related occupations, as well as healthcare industries. There are approximately 3,800 and 3,700 workers employed in “Registered Nurses” and “Home Health and Personal Care” occupations, respectively.

In the surrounding region, farming-related occupations employ the most workers. There are thousands of workers employed as farmers, ranchers, laborers, or similar occupations. One transportation occupation makes the list: “Heavy and Tractor Trailer Truck Drivers”. There are nearly 1,500 employed in this occupation in the outer South Plains region.

LUBBOCK COUNTY TOP OCCUPATIONS

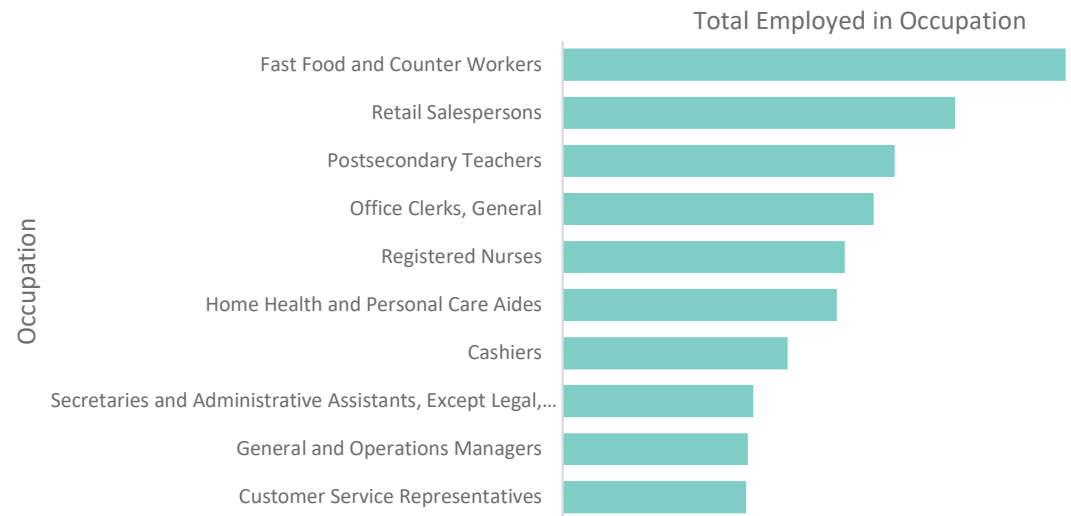


Figure 21: Lubbock County Top Occupations. Source: EMSI, 2021

SURROUNDING REGION TOP OCCUPATIONS

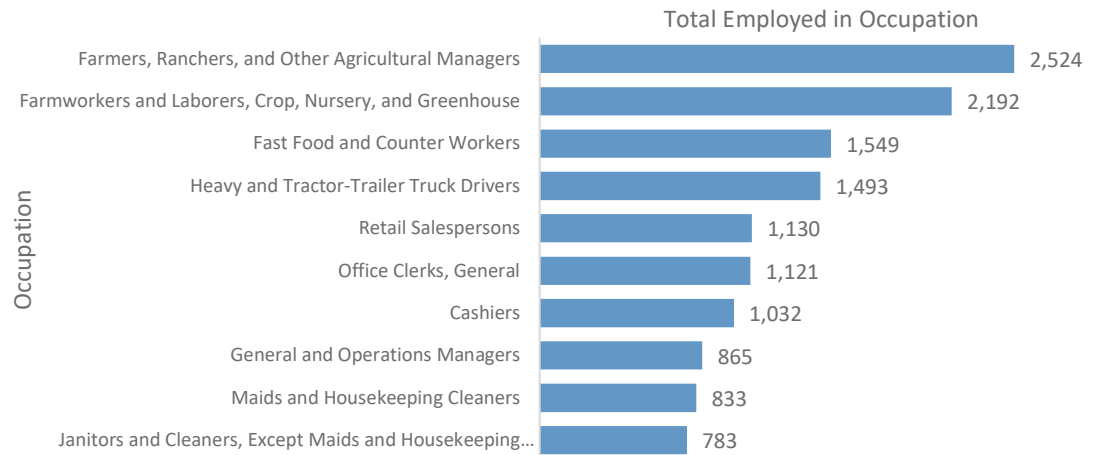


Figure 22: Surrounding Region Top Occupations. Source: EMSI, 2021

Fastest-Growing Occupations

In order to gauge occupation growth in the region, total jobs added by occupation between 2016 and 2026 are measured. In Lubbock County, fast food and counter workers are expected to see the most growth, adding more than 1,000 jobs. Many of the fastest-growing occupations are service-related, but some are related to healthcare and construction industries, as well. The same is true for the rest of the South Plains region; the “Industrial Truck and Tractor Operators” occupation is growing, too, and is expected to have added approximately 121 jobs between 2016 and 2021.

LUBBOCK COUNTY TOP GROWING OCCUPATIONS

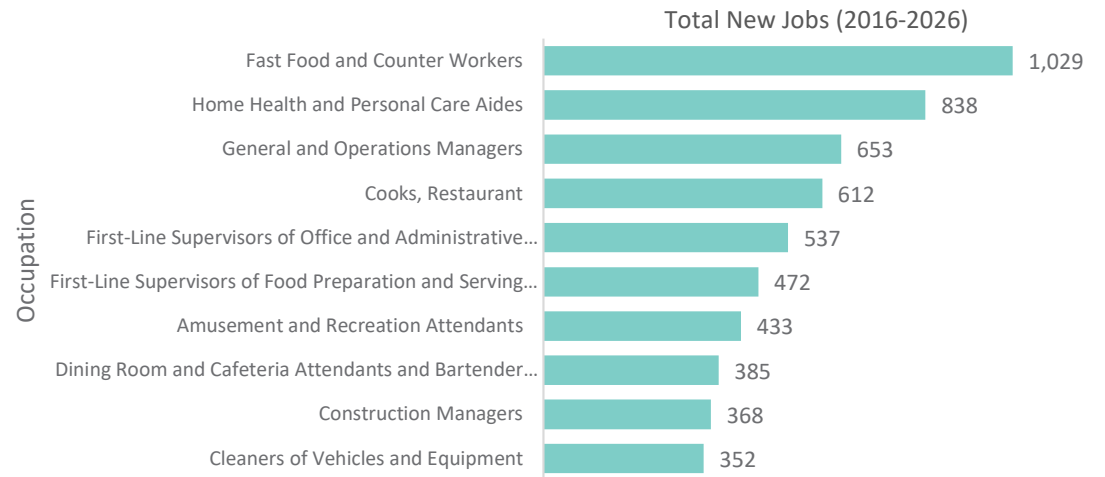


Figure 23: Lubbock County Top Growing Occupations. Source: EMSI, 2021

SURROUNDING REGION TOP GROWING OCCUPATIONS

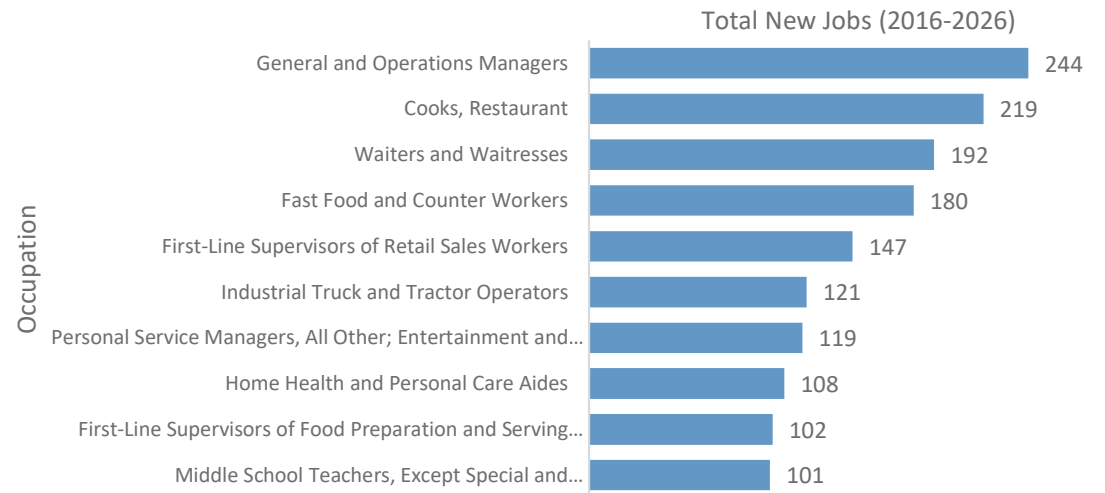


Figure 24: Surrounding Region Top Growing Occupations. Source: EMSI, 2021

In-Demand Occupations

To understand which occupations are presently in the greatest demand, the total number of unique job postings between October 2020 and October 2021 are tallied for each occupation. For reference, the median annual advertised salary for each occupation is included in the analysis, as well. As the graphs below indicate, there is an especially high demand for healthcare workers in Lubbock County. In the specified timeframe, there were 3,300 postings for registered nurses and 1,000 postings for licensed practical and vocational nurses. Transportation workers are also in high demand; there were approximately 1,800 and 1,000 postings made for heavy and tractor trailer truck drivers and freight laborers and movers, respectively. Many of these occupations are high-earning and could be great opportunities for the region. To invest in the population and ensure workers are available to meet employer needs could be important for attracting industries and businesses that can help grow the economy.

In the surrounding region the “Heavy and Tractor Trailer Truck Driver” occupation was in the greatest demand, with nearly 800 postings made within the time frame. Healthcare jobs, too, are in high demand. 400 postings were made for registered nurses, 230 were made for home health and personal care aides, and 200 were made for licensed practical and vocational nurses.

LUBBOCK COUNTY MOST IN-DEMAND OCCUPATIONS

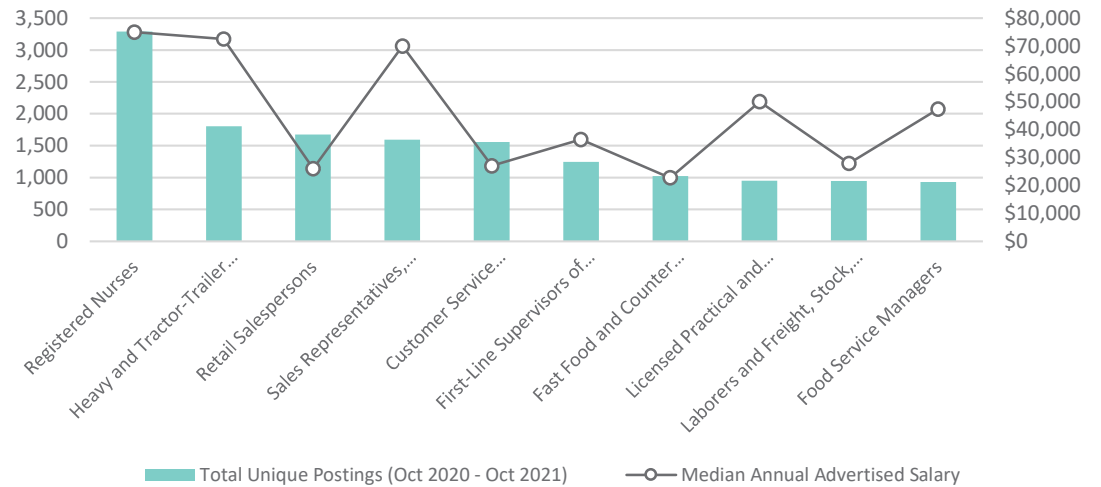


Figure 25: Lubbock County Most In-Demand Occupations. Source: EMSI, 2021

SURROUNDING REGION MOST IN-DEMAND OCCUPATIONS

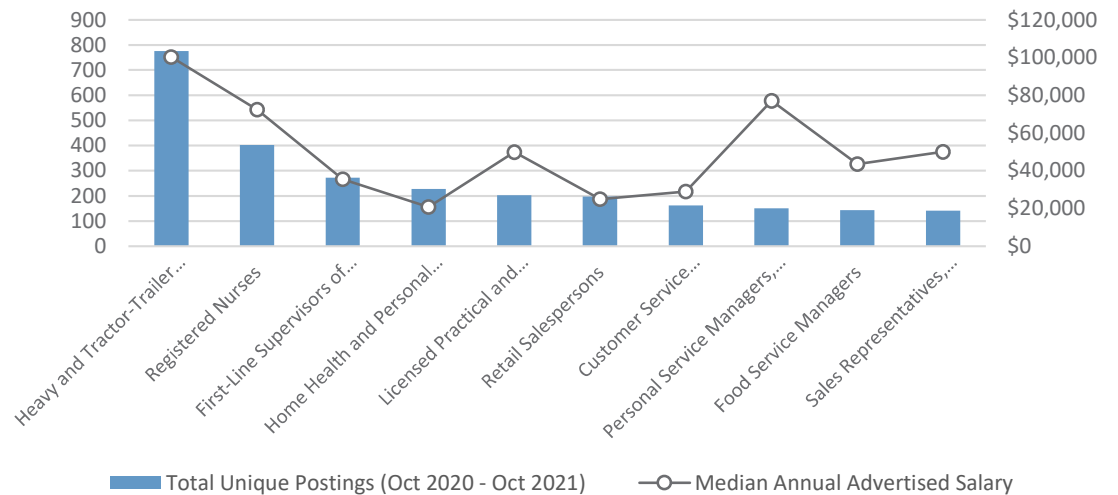


Figure 26: Surrounding Region Most In-Demand Occupations. Source: EMSI, 2021

Remote Worker Positions

One of the most noticeable impacts of the COVID-19 pandemic was the transition of many occupations to a work-from-home model. While some businesses have returned to their former in-person work settings in the last year, many have made the decision to allow their employees to work permanently from a remote location. In the graph below, the total number of job postings for all occupations has been provided for 2019 and 2021. In 2019, there were 983 job postings for remote positions in the South Plains region; in 2021, that number had increased to 2,094. This increase of more than 100% in remote worker job postings demonstrates the tremendous impact the COVID-19 pandemic has had on the workplace.

Interestingly, the advertised median annual salary increased over the two-year period, as well. In 2019, the advertised median annual salary for remote positions was about \$60,500; in 2021, it had risen to close to \$65,000. Many remote positions are high-paying and can be filled even in very rural areas like the South Plains region. Businesses have realized the benefits of transitioning to a remote model, and there are now a larger variety of employment options that can be found remotely.

REMOTE WORKER JOB POSTINGS

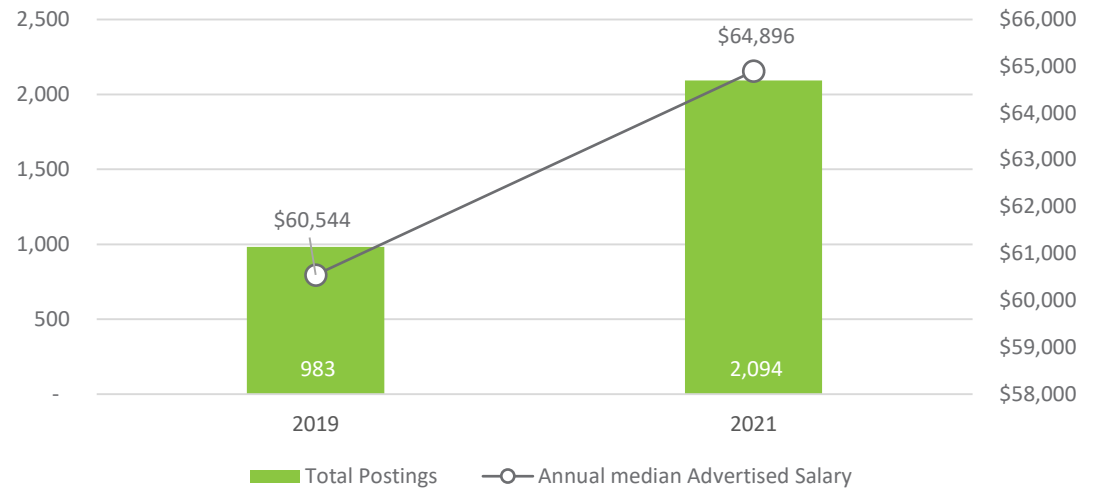


Figure 27: South Plains Region Remote Worker Job Postings. Source: EMSI, 2021

SUMMARY OF DATA FINDINGS

Lubbock County

There are many strengths of the Lubbock County's population and economy that are reflected in the data. It has a growing, young population with educational attainment rates that are comparable to the rest of Texas and the United States. As such, the county has the human capital to compete for industry and business attraction.

Although household income levels are low when compared to the national averages, the cost of living is also low; the median home value in Lubbock County is about \$90,000 cheaper than the national median. The vacancy rate has held constant around 8% for the last 20 years and is expected to remain stable in years to come. The low cost of living could be an opportunity for the county to attract new residents; because its population is young and a large university is located within the county's borders, much of the required quality-of-place infrastructure likely already exists.

The education industry is strong within the county. Many workers find employment in local universities or elementary schools. The healthcare industry, too, has seen substantial growth within the county. This is consistent with national trends, as the COVID-19 pandemic has greatly increased demand for workers in the industry. In addition, there's high demand for transportation and logistics workers within the county. Despite having a core set of high-employing, growing industries, the economy is moderately diversified; 236 industries have location quotients of greater than one, which means they're more concentrated in the county than in other areas of the country.

Surrounding Region

The rural surrounding region is, in some cases, experiencing vastly different economic conditions than the more urban Lubbock County. Household incomes and home values are even lower, with more than half of households earning less than \$50,000 per year and living in a home valued at less than \$118,000. While the low home values might prove to be affordable when compared to the region's median household income, the standard of living is likely lower than would be ideal. In addition, vacancy rates are extremely high; nearly one fifth of homes in the region are unused and vacant. More housing is available than is demanded by the shrinking population.

Like in Lubbock County, the education and healthcare industries employ many workers and are seeing growth in the surrounding region. The farming industry, too, is a major employer and could be the source of a competitive advantage; the cotton ginning industry is extremely highly concentrated and could continue to be a major exporting industry. While the strong agricultural industry is certainly a valuable asset for the region, efforts should likely be made to prepare the workforce for shifting employer demands. As educational attainment rates are low, workers will have to upskill in order to find high-paying, sustainable employment.

As shifts in the workplace occur as a result of the COVID-19 pandemic, there could be new opportunities that arise for the region. Logistics and transportation industries are high-paying and in search of skilled workers, and the region could capitalize upon this industry trend. Additionally, remote work is becoming more of commonplace, which makes proximity to an urban hub less of a requirement for high-quality employment. If the region can build out the infrastructure to attract remote workers, the population could see new growth which bolsters the economy.

STAKEHOLDER ENGAGEMENT

Introduction

To complement the quantitative data analysis of demographic, industry, and labor force conditions within SPEDD, TPMA conducted a stakeholder engagement session. The purpose of this session was to incorporate qualitative, grassroots perceptions and information into the report, adding context to the quantitative data. To collect community insights into the economic conditions within the region, two types of engagement processes were undertaken.

First, an in-person focus group was organized. The focus group included economic development professionals and county leadership in the region, and provided insight into the region's strengths, weaknesses, and future.

Second, individual informant interviews were organized. These interviews focused on individuals that were unable to participate in the stakeholder session and to give them an opportunity to provide additional insight into the economic plan; therefore, they were invited to participate in a one-on-one conversation with the project team.

The input from this informed group of community stakeholders has been organized in the section to follow. The data collected in these sessions have, in conjunction with other analyses performed, ultimately been used as the basis for many of the recommendations provided at the conclusion of this report.



REGIONAL SWOT

Strengths

AGRICULTURE INDUSTRY

The region's strong agriculture industry has been a cornerstone of the economy for decades. This industry leverages some of the region's natural assets, like vast swaths of farmable land, and provides the local economy with an export that attracts money into the region. The most commonly grown crops include cotton, wheat, corn and sunflowers. As a result of the industry's strength in the region, a significant part of the working population finds employment in the industry, especially in more rural parts of the region. This sector has created a consistent pipeline of jobs and revenue for the region.

NATURAL RESOURCES

The abundance of natural resources is an asset that the region has benefitted from in a variety of ways. High-quality, fertile land allows many families to earn a living by growing crops or raising livestock. Mineral and oil resources in the regions creates revenue and jobs for many of the local residents. In addition, the natural terrain lends itself well to alternative kinds of farming – like winding farming, for example – which will be outlined as an opportunity in sections to come.

HIGHER EDUCATIONAL INSTITUTIONS

The location of Texas Tech University in the region provides a valuable advantage in many areas of economic development. With more than 40,000 students, Texas Tech University attracts undergraduate and graduates from across the world, which add talent to the regional workforce and can help the area compete for industry or business attraction. Other, smaller local colleges and universities also contribute to the educational environment, which builds local skillsets, attracts talent, and employs many workers in the area.

GROWING BUSINESS ENVIRONMENT

Through partnerships between local businesses, local government entities, and educational institutions, the business environment in the region has seen considerable growth in recent years. The Reese Technology Center, in particular, is a case study in community resiliency. After an economic pillar of the region closed, the remaining resources were turned into a business strength which could continue to future growth. The Reese Technology Center is now helping businesses hatch and expand in sectors such as technology, research, engineering, education, and manufacturing.

SMALL-TOWN CULTURE

Finally, it is important to note a characteristic that was referenced by many stakeholders as one of the region's most valuable assets: its small-town culture. Many of the region's rural towns and villages are charming, down-to-earth communities that value hard work, neighborliness, and tradition. These cultural qualities are important to maintain; the region's identity can help guide its vision for the future, and many residents have made clear that their tight-knit, small-town culture is something that should be considered in an economic strategy that plans for future development.

Weaknesses

EDUCATIONAL ATTAINMENT

While the educational rates for Lubbock County are comparable to the rest of the state, many of the more rural parts of the region are home to populations with very low educational achievement. This could have a negative effect on the region's growth, especially if it wants to compete for industry or business attraction efforts; many employers will look for a skilled population when selecting an area to relocate, and a poorly trained workforce could be a disadvantage. Moreover, workers in the region with low educational attainment are likely to have more difficulty finding high-earning employment.

LIMITED INTERSTATE ACCESS

Interstate-27 runs north-south through the region, which is an important channel for regional connectivity; however, most of the counties within the region are not directly connected to an interstate. As a result, many processes that require transportation are significantly delayed. Limited transportation infrastructure can be a barrier for industry attraction (such as logistics industries) and can obstruct residents' access to resources within the region, like healthcare. With limited access to the surrounding areas, residents have fewer opportunities for employment opportunities, as well.

LIMITED RURAL OPPORTUNITY

Stakeholders reflected much of the information presented in the data analysis; the economic conditions in Lubbock County and the surrounding regions are very different. It is natural for Lubbock County, which is an urban hub, to attract many people, industries, and resources; however, the surrounding area's reliance on Lubbock County, especially with such limited transportation infrastructure, can be problematic. Population decline in rural communities is happening throughout the country, and an intentional effort should be made to ensure that the small towns of the South Plains region have the resources to function independently of support from Lubbock's urban center; failure to do so could have an adverse effect on many of the other economic initiatives outlined in this report.

HOUSING INVENTORY

The lack of housing within the region has been stated to be one of the most pressing issues. Two challenges were cited in stakeholder engagement sessions. First, there have been very few new developments in rural parts of the region in recent years. Developers have few incentives to build in remote parts of the region when there is opportunity in Lubbock. Second, many of the housing units that are vacant are dilapidated and uninhabitable. If the region wants to accommodate growth, the housing supply must be addressed. The tight housing market is only exacerbated by limited housing stock, and prices have risen in recent years. As some areas of the region have not experienced new housing construction in several years, the housing supply could stagnate and opportunities for growth could be missed.

LACK OF RURAL HEALTHCARE

As is the issue with many regions across the country, the South Plains region has pockets of healthcare deserts. While there are limited healthcare options available in rural parts of the region, those normally only include family practitioners or urgent care centers. For specialized care providers, like dentists, eye doctors, or emergency care, residents must go to Lubbock. When faced with a serious health crisis that requires immediate attention, patients have to be airlifted to the nearest center. The lack of access to healthcare in rural areas will be an impediment to growth, as residents will not feel safe living so far from important, life-saving resources.

Opportunities

UNDEVELOPED LAND

With over 95% of the land in the region committed to agriculture, there's a significant opportunity for new development. These developments could include, but are not limited to, industrial, commercial, and residential developments. Many industries are interested in the type of natural resources available in the South Plains region. Cryptocurrency and data mining businesses, for example, have been reported to purchase land for server farms; because the sites are rural, secure, and close to reliable energy sources, they're ideal for businesses in that industry. Targeted development of available land could help the region grow its economy and attract new activity.

ALTERNATIVE ENERGY

One of the region's greatest strengths is its natural resources. With the abundance of undeveloped land, solar and wind farms have become a viable opportunity for the regional economy. While some success has been had in the alternative energy sector, the demand for such energy can only be expected to grow. The South Plains region could position itself to capitalize on the trend toward renewable energy and build out the infrastructure to accommodate for the industry growth.

TOURISM INDUSTRY

The tourism industry is one that is a pillar of many economies; if executed correctly, a tourist attraction strategy can allow the region to attract funds and visitors from outside areas to the local community. In highlighting the unique characteristics and sites of the region, it can be marketed as a tourist attraction that appeals to individuals of a variety of populations. With historical sites, wine vineyards, ranches, and hunting outfits, the region is well-positioned to capitalize on its assets that lend themselves to tourist attraction efforts.

REGIONAL COLLABORATION

The opportunity for collaboration between counties and other local government entities is an important one; the potential for economic growth is much greater when individuals and organizations pool their resources together and combine their efforts in moving the community toward a unified goal. Some cities and counties are already collaborating and share resources to support like law enforcement agencies and emergency medical services. Other potential for collaboration exists in plans for a regional business park or shared infrastructure (such as broadband or water/sewer expansions). Such relationships help relieve some of the administrative and financial burden on individual government entities and allow for the provision of a wider range of high-quality services to residents.

REMOTE WORKER ATTRACTION

In recent years, the workplace has changed dramatically; more businesses than ever before are allowing their employees to work remotely. This workplace trend affects many other areas of the economy and presents rural communities with an opportunity for worker attraction that hasn't been an option in the past. Many remote workers value small-town, quiet lifestyles to chaotic, urban living. If the South Plains region is intentional in developing its infrastructure to accommodate for population growth and develops an appropriate resident attraction strategy, its economy could see considerable growth through the attraction of remote workers.

Threats

DECLINING RELIANCE ON OIL AND GAS

New legislation and rising costs of drilling and processing has caused the oil and gas industry to buffer in some areas of the country. As legislators and the global economy begin to prioritize the transition toward the more sustainable production of energy, the oil and gas industries could become a less reliable source of income for the local economy. The volatility of the industry has already had an adverse effect on the region, and the unpredictable nature of oil and gas markets will continue to affect the economy for decades to come. The industry's decline could lead to further closure of drill operations, elevated unemployment rates, and the displacement of workers who cannot transfer their skills to other occupations.

DROUGHT & ENVIRONMENTAL ISSUES

Texas is famous for its dry, arid climate. As water availability becomes an issue across the country, it is important that the South Plains region take appropriate measures to plan for and mitigate the effects of water crises. This is especially true because of the prominence of the agriculture industry in the region; if the water supply goes, the cornerstone of the local economy will falter. Dry farmers, as well as those with irrigation systems, will find threatened the quality of the crop they're able to produce and will likely have to work with a smaller yield. A prolonged drought could result in the permanent closure of farms and ranches, which would only lead to further population decline. As the environmental conditions continue to destabilize, it is crucial that the region is prepared to adapt with the times.

DECLINING RURAL POPULATION

Rural communities across the country are experiencing significant population declines, and the rural counties in the SPEDD region are among them. Population loss makes economic growth exceedingly difficult. With fewer workers, business retention and attraction efforts can be stunted. Moreover, reductions in tax revenue can place a strain on local municipalities, as those funds are used to provide public services to its citizens. If the region wants to ensure its economy grows in years to come, it must invest in solutions to promote population retention and growth.

LIMITED ACCESS TO BROADBAND

As the economy becomes more digitized, broadband connectivity becomes increasingly important for economic and community development. At the moment, there are many areas of the region that are without reliable internet service, which can impede residents' access to employment opportunity, financial resources, healthcare, and other important services. Broadband connectivity is even more important after the COVID-19 pandemic than ever before; as many businesses and agencies have recognized the option for the provision of remote services and employment opportunities, many have transitioned out of in-person environments. To ensure the community can continue to participate in an increasingly digitized economy, the region should aim to improve its broadband infrastructure.



GOALS & STRATEGIES

Summary of Recommendations

It is important that a region take appropriate measures to foster recovery and resiliency, especially in the aftermath of disruptions like pandemics, environmental shifts, or other economic shocks. A well-thought-out plan can mitigate the economic fallout of these disruptions and ensure local communities continue to prosper into the future. To build toward a more resilient economy, the project team provides the following recommendations. These recommendations are the culmination of the detailed analysis provided in foregoing sections of the report.

FOCUS AREA 1: HOUSING

Strategy 1: Develop Housing Profiles

Strategy 2: Conduct a Housing Gap Analysis

Strategy 3: Address Dilapidated Housing Stock

Action Step 1: Code Enforcement

Action Step 2: Host a Community Cleanup

Action Step 3: Utilize Condemnation to Increase Affordable Housing

FOCUS AREA 2: ENTREPRENEURSHIP, INNOVATION, AND NICHE MARKETS

Strategy 1: Create a Healthy Entrepreneurial Environment

Strategy 2: Support Young Professional Groups

Strategy 3: Identify and Target Specific Niche Markets

Strategy 4: Invest in Infrastructure to Support Business

FOCUS AREA 3: BROADBAND INFRASTRUCTURE AND CYBERSECURITY

Strategy 1: Develop Broadband Infrastructure

Action Item 1: Understand Existing Conditions

Action Item 2: Take Action to Further Develop Infrastructure

Strategy 2: Improve Cybersecurity Systems

Action Item 1: Acquire Funding for a Cybersecurity Plan & Explore Other Federal Resources

Action Item 2: Make Internal Policy Changes

FOCUS AREA 4: ENHANCE REGIONAL COLLABORATION

Strategy 1: Apply for Regional Funding

Strategy 2: Attract Tourists & Remote Workers with a Unified Brand

Strategy 3: Increase Connectivity

FOCUS AREA 5: ADAPT TO CHANGING ENVIRONMENT

Strategy 1: Invest in Business Diversity

Strategy 2: Double Down on Renewable Energy

Strategy 3: Prioritize Water Reclamation and Drought Preparation

FOCUS AREA 1: Housing

Home prices are soaring, and the provision of affordable housing to all groups of the local population is a priority for many local communities throughout the country. In stakeholder conversations, it was made clear that the region not only has limited supply of housing options, but that many housing structures are in severe states of disrepair and are therefore uninhabitable. In some counties, no housing development has taken place in several years. As a result of diminished supply, the existing housing units become more expensive. In the strategies to follow, action steps are outlined for understanding and improving the state of the housing market in the SPEDD region.

Strategy 1: Develop Housing Profiles

To address the housing issues outlined above, the region must first understand the current conditions of housing within the region. The project team suggests housing profiles be completed for each of the counties within the region, as each is home to a unique population with unique housing needs. These profiles should first seek to understand the demographics and economic conditions of the region; it is important to understand who lives in a community before developing any housing-specific strategies. Then a deeper analysis of housing trends can be undertaken, with a focus on cost-to-income ratios, housing cost burden, subsidized housing availability, and general development trends. The following data sources can be excellent starting points for such analyses:

- U.S. Census
- American Community Survey
- American Housing Survey
- Redfin Realty Data (or data from other realty websites)

In addition, experienced third-party firms typically have access to more robust databases. The hiring of a professional firm to conduct these housing analyses could provide a more in-depth evaluation of housing conditions.

Strategy 2: Conduct a Housing Gap Analysis

After housing profiles have been completed, a complete housing gap analysis can be carried out. The objective of a housing gap analysis is to identify areas of the local housing environment that are not sufficiently meeting community need; after those deficient areas are identified, local leaders can take action to improve conditions through policy or other public measures.

Many housing gap analyses identify deficiencies in housing options for low-income households. Therefore, it is often the case that recommendations are tailored to increase the supply of low-cost, accessible housing units. A focus on affordable housing will evaluate current programs such as the Low-Income Housing Tax Credit (LIHTC), federally funded and supported housing programs such as the Community Development Block Grant and HOME programs, and RAD conversion efforts. This action item will also entail estimating existing housing demands for households with incomes of 30%, 60%, and 80% of the area median income (AMI) and forecast future changes.

These assessments should be data-driven and typically include a robust stakeholder engagement process. It is important to combine quantitative data with local, grassroots insights. With both, local leaders can begin to explore options for improving the local market. In recent years, housing costs have skyrocketed, leaving many households without suitable living options. Communities across the country are struggling to find innovative solutions for these problems. A third-part consulting firm will likely be the most prepared to carry out this housing gap analysis and should have a deep understanding of some of the most effective practices being implemented throughout the country.

Strategy 3: Address Dilapidated Housing Stock

As mentioned previously in the report, population decline can have a negative impact on housing stock. Many stakeholders reported a significant portion of the housing stock in the region to be in a serious state of disrepair, making it uninhabitable. To maximize the availability of housing in the region, these units should be addressed. Some action steps are provided below for keeping housing units up-to-date and inhabitable.

ACTION ITEM 1:

Code Enforcement

Code enforcement is the most common technique for dealing with the issue of deteriorating housing. Almost all towns and localities have enacted a property maintenance code or ordinance that outlines criteria for the acceptable maintenance of properties. These codes could be used to limit the number of unoccupied parcels, as well. The proper enforcement of these codes can help keep housing properly maintained and therefore accessible to population. In most instances, the review of a property is initiated by a complaint submitted by a local resident; however, a vocal commitment to maintenance of building standards by elected official and local stakeholders will help ensure that housing remains well-kept and habitable.

In addition, a code enforcement officer can be hired or contracted by a municipality with a municipal code; in smaller communities, the police may be able to manage the situation. A code enforcement officer does not have the same authority as a police officer, and instead of issuing tickets, issues code violation notices. Typically, the government will issue a notification and give the individual in violation of the code a specified number of days to fix the condition before calling for a re-inspection. Because a code violation case is conducted in a municipal court rather than a county or state court, police are frequently absent, and the code enforcement officer is the star witness for the local government. If the violation does not motivate the owner to improve the condition of the unit, however, the code enforcement officer may refer the case to municipal court. Typically, the court orders the infraction to be fixed and gives the violator a certain number of days to do so. If the offense persists, the judge may levy penalties.

ACTION STEP 2:

Host a Community Cleanup

Another step many communities have taken to foster a sense of ownership of dilapidated properties is to host a “Community Cleanup.” At different events, community members can work together to clean up and restore homes in the region; of course, this requires that the property owner give permission beforehand. Prior to the event, the organizing committed can contact the owner and outline the tasks to be performed on the property, which could include general façade improvements, clearing overgrown vegetation, or replacing broken windows.

All participants would be volunteers, but some organizing entity would have to take responsibility for managing the event and the volunteers. Towns can take an active role in contacting community members who might be interested in leading an effort and can even supply them with some materials to get started, such as tools or town vehicles. Ultimately, these neighborhood clean-ups can be a great way to improve the quality of the local housing supply while fostering a stronger sense of community.

ACTION STEP 3:

Utilize Condemnation to Increase Affordable Housing

Condemnation is the legal procedure through which a government takes possession of a property. Some municipal governments are enthusiastic about initiating the process whenever possible, while others are very reluctant to do so. In most cases, the effectiveness of a condemnation process as a tool for increasing housing availability depends on the government's systems for acquiring, holding, and reusing the property after it's been condemned. To make the process as efficient as possible, local governments should seek to establish clear guidelines that describe how to condemn underutilized properties within their jurisdictions.

Building inspectors, rather than routine code enforcement officials, are usually called upon to assess if the property maintenance standards are being met. If a property fails an inspection, local regulations typically allow for condemnation. Prior to the final condemnation, the property owner is notified and given a specified period to correct the condition. If the necessary improvements are not made, the municipality may take ownership of the property and either allow the structure to remain, decay, or order its demolition.

If any of the municipalities already operate land banks, newly acquired properties can be transferred to the land banks. If the region does not already have an operating land bank, the project team suggests local leaders explore the possibility of creating one. A land bank is an organization – often a non-profit – which is created to acquire, organize, and redevelop properties within the specified region to maximize efficient land use. In effect, land banks can allow the region to collect and combine parcels that are tax delinquent, abandoned, or otherwise dysfunctional, and redevelop them to meet the community's needs. Owned properties could be used for the development of (sustainably) affordable housing, green space, parks, or even commercial space, if appropriate.

FOCUS AREA 2:

Entrepreneurship, Innovation, and Niche Markets

Many rural economies throughout the nation have undergone significant changes in recent years. One of these changes is often described as a “brain drain,” which occurs when declines of local talent in rural communities have an adverse effect on their business environments. Businesses that require a highly educated or well-trained staff can struggle to find qualified employees, and as a result, struggle to stay afloat. To prevent the loss of local talent, rural communities must make an intentional effort to retain existing talent and attract new talent. If business or work opportunities do not exist in the area, young workers will leave to find it.

There are several methods that have proven successful in growing local talent and revitalizing rural economies. Many have found the prioritization of entrepreneur support to be immensely valuable, as entrepreneurial ventures can spur innovation, create jobs, and contribute to the community’s unique business identity. In utilizing local talent and resources, new local businesses can help keep population numbers high and eventually attract new workers to the area.

In addition to providing general support to emerging entrepreneurs and innovators, a focus on specific niche markets can increase the return on the region’s investment. There are naturally some industries which are better suited to the unique qualities of the region; to be successful in business creation, retention, expansion, or attraction, the region should identify its distinguishing positive qualities and leverage those in targeting specific industries to support. The development of a handful of high-potential industries can help increase business diversity, which also makes the community less susceptible to economic shocks. Together, strategies for encouraging entrepreneurship and capitalizing on niche markets can help ensure the South Plains region remains resilient.

Strategy 1: Leverage the Texas Tech University Innovation Hub

As an organization dedicated to connecting aspiring entrepreneurs to resources, programming, and opportunity, the Texas Tech University Innovation Hub is an important asset for the South Plains region. As such, the Innovation Hub should play a central role in the effort to spur local economic growth.

This anchor institution is located in Lubbock and is intended to serve all members of the community – not only students at Texas Tech University. It's comprised of four primary components: a research park, an innovation hub, a Small Business Development Center (SBDC), and the Office of Research Commercialization (ORC). Each of these components is intended to serve up-and-coming businesses in a specific way. In addition, the Innovation Hub has programming available for businesses at various stages of maturity. Their 12 business-building programs guide entrepreneurs through the ideation stage, help them through the process of commercialization, and eventually provide business acceleration support for growing businesses. As a beacon for creative thinkers, this hub can stimulate the local economy by developing innovative solutions to meet some local need. To maximize the impact of this existing community asset, the project team recommends the South Plains region:

- Create awareness for the programs, services, and resource available to entrepreneurs through the Innovation Hub
- Work to connect industry leaders in the region (in agriculture or energy, for example) with entrepreneurs who can develop innovative solutions to modern industry challenges
- Highlight local small businesses and startups in regional publications or on social media pages to promote their success
- Ensure local businesses are also becoming involved with the Chamber of Commerce, as doing so will expand their network and access to resources

Strategy 2: Expand Network to Include Rural Region

Although Lubbock is well served by the Texas Tech Innovation Hub, some of the rural parts of the region might experience difficulty in accessing the wealth of resources and programming available in the city. Thanks to the accelerated growth of digital business and e-commerce over the course of the pandemic, many entrepreneurs are able to operate businesses remotely. However, programming must be intentionally designed to reach remote workers, as well as those without easy access to an urban hub. To increase the connectivity of all members of the region and enhance the entrepreneurial environment, the project team recommends the following action steps:

- Expand the scope of networking events and facilitate workshops in rural areas of the region, or virtually for remote businesses
- Create a network of incubator programs dispersed throughout the region that offer office space and support for rural startups
- Promote satellite events and programming for entrepreneurs in rural regions
- Establish a forum, virtually or in-person, for members of regional young professional groups; through increased collaboration, the regional business network will grow, and the local economy will strengthen

Strategy 3: Identify and Target Specific Niche Markets

Every community has unique assets that well position it to capitalize on focused, niche markets. The South Plains region should prioritize business efforts on some of these targeted markets. To do so, the community must first understand its strengths; then, those strengths can be leveraged. In order to identify and take advantage of business creation, retention, expansion, or attraction efforts, the project team encourages the South Plains region to consider the following action steps:

- Create a strategy for attracting or supporting entrepreneurs in identified target industries
- Aim to capitalize on new business opportunities that involve multiple growing industries. Many promising business opportunities exist at the junction of core sectors and growing markets (between agriculture and technology, for example)
- Identify gaps in regional supply chains and develop strategies for filling those gaps
- Utilize creative incentives or financial support systems for entrepreneurs or small businesses that are advancing growth of the economy in ways that align with the regional strategy



Strategy 4: Invest in Infrastructure to Support Business

To promote growth in the business environment, the development of appropriate infrastructure is required. Although the region has plenty of land that can be used to support agricultural and residential development, the region can also plan to accommodate growth of specific business sectors. After identifying which industries or sectors are worth investing in, the region can work to develop office space, coworking spaces, networking centers, or community engagement hubs to support the business environment. Small, local businesses need support, and an investment in infrastructure is one of the best ways to support the economy. The development of lab space, offices, and event centers can attract businesses and promote collaboration. The network that would result helps strengthen the local business environment.

In addition, broadband is an important part of any region's infrastructure. High-speed internet connection is critical for recruiting companies and inhabitants as towns strive to become more connected. The "last mile" internet connections, or those which reach residential and industrial areas, can be difficult for rural communities to complete. These last mile connections will give residents and businesses tools they need to succeed in a digital global economy. Additionally, the region should plan broadband infrastructure connections in identified areas conducive for future residential, commercial, and business growth.

By prioritizing targeted areas of the region, it is possible to maximize infrastructure investment by identifying significant areas of growth. A thorough examination of potential development regions can also aid in the planning of necessary infrastructure to promote positive, steady growth. Existing industrial and business parks, as well as sites appropriate for future residential development, are anticipated to be priority growth areas.

The project team suggests the following action steps be considered:

- Identify and catalog property which could be used to support business development activities
- Evaluate each potential development sites to determine utility accessibility and other site restrictions, if they exist
- Determine whether existing residential or commercial development plans exist, and capitalize on the new growth by building supporting business resources in the nearby area, like office space or networking facilities
- Collaborate with utilities providers to determine where service gaps exist and how those can be filled to support local businesses
- Ensure the zoning code is up to date and can support the region's goals for business or infrastructure development
- Ensure high-quality internet is available in business parks, community centers, coworking spaces, or any other areas where local businesses can be expected to operate

FOCUS AREA 3:

Broadband Infrastructure and Cybersecurity

technologies to facilitate commerce, administration, and governance, local governments will be required to adapt their processes to remain relevant. In order to do so, the project team has identified two action steps that can help ensure the region: (1) develops the appropriate infrastructure to support ongoing business and residential development, and (2) takes proper precautions to ensure information and data remain secure.

STRATEGY 1:

Develop Broadband Infrastructure

Access to high-speed internet has become a necessity for modern communities. This is especially true in the aftermath of the COVID-19 pandemic; businesses around the world have moved their operations online, and workers are finding remote employment across the state, country, and world. Most public school systems have adapted to incorporate completely virtual or hybrid teaching models when necessary, and most administrative tasks in private and public businesses are carried out completely online. As such, communities must aim to expand access to high-quality internet services in order to ensure growth and provide quality-of-life amenities to residents.

Another benefit of expanding broadband infrastructure would be the increased opportunity to provide South Plains residents with telehealth services. Stakeholders cited the lack of rural healthcare to be one of the greatest challenges faced by the region. In the aftermath of the COVID-19 pandemic, the provision of telehealth services has become more commonplace – many patients prefer to meet with their doctor virtually to limit travel and further health risk. A requirement for any community to expand telehealth services is the existence of high-quality internet infrastructure. In developing the broadband infrastructure within the region, South Plains would make virtual healthcare more accessible for its residents.

ACTION ITEM 1:

Understand Existing Conditions

The first step in the development process is to evaluate the existing state of broadband infrastructure in the region. This requires research into a couple of areas. First, it is useful to understand which areas of the region are currently served by internet service providers (ISP), and by which ISP they are served. The Federal Communications Commission (FCC) provides public data on the internet speed and ISPs for the entire nation. This map can be used to identify the most active service providers in the region, and to understand the quality of internet services provided in different areas.

Quality of internet service can be measured in a variety of ways. One standard measurement of internet service is speed, measured by megabits per second (Mbps). While many areas of the country technically have access to internet services, the quality of that service is often too low to be functional. Therefore, the speed and quality of the internet service must be taken into consideration when evaluating the state of existing infrastructure; if the internet is already accessible in much of the region, but is not adequate, it must be improved. The FCC can provide information on quality of service; in addition, M-Lab can provide data on internet speeds throughout the region. M-Lab is an open-source platform and is therefore free for public use.

The list of the area's internet service providers will be helpful for provider engagement, which will be outlined in sections to follow. Understanding which private companies have already invested in the region's infrastructure is important for creating a strategy for ongoing development. It is important to know, for example, the kind of broadband available within the region, whether ISPs have any plans to further develop or upgrade existing infrastructure, and their level of interest in collaborating with the local government to continue development.

ACTION ITEM 2:

Take Action to Further Develop Infrastructure

Funding is a critical piece of infrastructure development. Fortunately, there are many federal funding opportunities available to communities interested in expanding broadband infrastructure. One such opportunity is the Rural Digital Opportunity Fund, which is offered through the FCC and has made available \$20.4 billion to ISPs who invest in broadband infrastructure. Before applying for funding for a region, it is important to first check the Cooperative Network Services RDOF Auction Details map to see if the region of interest has already applied for and received federal funding, as this could affect eligibility for future federal funding.

In addition, American Rescue Plan Act (ARPA) funds can be used to support the expansion of broadband, if municipalities have not yet allocated them. The Broadband Equity, Access, and Deployment (BEAD) Program, too, was created to expand high-speed internet access by funding planning, infrastructure deployment, and adoption throughout the entire country; \$42.25 billion are available through this program. Local governments interested in broadband development should research, identify, and catalog these opportunities where they exist.

If appropriate funding is secured, development of the broadband infrastructure can begin. This process can be a lengthy one and will require an intentional effort on the local government's part to engage ISPs operating in the area. Through the FCC's broadband map above, ISPs within the region can be identified. Then, through a deliberate provider engagement plan, plans for expansion of broadband services can be discussed. As mentioned previously, it is important to understand the current investment ISPs have made in the region, if any, as well as their existing plans for development, if they have any. If both parties have interest, a partnership between local governments and private ISPs can help streamline the development process and expedite the provision of internet services to regional residents and businesses.

The final step would be to create a Request for Proposal (RFP), which would allow a local government agency within the region to contract with an ISP to provide broadband services to the region. To encourage ISPs to develop within the region, local municipalities are typically able to offer some incentive to support the development. These could include the waiving of permitting and pole attachment fees or inclusion in new developments where the opportunity for fiber installation exists. If an ISP is already prepared to install fiber throughout the region, an incentive package can encourage them to expand the scope or quality of the infrastructure they're installing.

Lastly, it is important to note that local governments should be careful to fairly engage all ISPs in the region, especially if they intend to release an RFP. Equal consideration for government contracts is a requirement, and failure to do so could obstruct the development process.

BEST PRACTICE:

Monongalia County, IN – Comprehensive Broadband Strategic Plan

Monongalia County partnered with Ice Miller Whiteboard in May 2021 to conduct a Comprehensive Broadband Strategic Plan. The objective of the plan was to identify underserved areas within the community and develop a plan for increasing access to affordable, top-tier, reliable internet services. The project lasted nine months, and the consultants were able to provide Monongalia County with a set of actionable, well-informed action steps for developing broadband infrastructure within their community.

STRATEGY 2:

Improve Cybersecurity Systems

As mentioned previously, internet technology is as important for local governments as it is for residents, private businesses, or anyone else in the community. Most administrative processes are carried out online, and information, data, and records are stored in digital databases. These databases, despite their lack of a physical location, require a lock and key like any other physical storage system would require. However, their security systems are naturally different from those of physical storage systems, as are the security threats posed by cyberattacks. Malware installation, ransomware, and phishing are some of the most common breaches of cybersecurity, and their prevention requires that deliberate measures are taken to ensure the security of confidential or sensitive information. The project team has identified two action steps that can help ensure the South Plains region is prepared to prevent and defend against cybersecurity breaches.

ACTION ITEM 1:

Acquire Funding for a Cybersecurity Plan & Explore Other Federal Resources

The South Plains region should explore the option of developing personalized, detailed cybersecurity plan. Such a plan would require extensive planning and resources, so the first step would be to acquire funding for the plan. Fortunately, there are many sources of federal funding available for cybersecurity plans. Through the Infrastructure Investment and Jobs Act, the U.S. Department of Homeland Security will administer grant funding through the State and Local Cybersecurity Grant Program. These funds are expected to become available near the end of 2022; therefore, the South Plains region should be prepared to apply for funding through the program. In order to earn funding, applicants must be able to explain how their plan will address a variety of cybersecurity elements.

Funding though this program can be used to:

- implement the Cybersecurity Plan of the eligible entity;
- develop or revise the Cybersecurity Plan of the eligible entity;
- pay expenses directly relating to the administration of the grant, which shall not exceed 5 percent of the amount of the grant;
- assist with activities that address imminent cybersecurity threats, as confirmed by the Secretary of Homeland Security, acting through the National Cyber Director, to the information systems owned or operated by, or on behalf of, the eligible entity or a local government within the jurisdiction of the eligible entity;
- fund any other appropriate activity determined by the Secretary of Homeland Security, acting through the National Cyber Director.

To prepare to take advantage of federal funding opportunities, a committee should be organized with the specific objective of exploring cybersecurity threats, defining gaps and areas for improvement, and developing an RFP which would solicit input from qualified firms in developing a strategic cybersecurity plan.

In the meantime, there are many cybersecurity improvements that local governments can make without large capital investments. A first, simple step in increasing security is to explore the resources made available through federal initiatives. For example, the U.S. Department of Homeland Security has created the Multi-State Information Sharing & Analysis Center (MS-ISAC), which has been designated as a central resource for state and local governments in preventing and recovering from cybersecurity attacks. This center prioritizes coordination, collaboration, cooperation, and increased communication in preparing local agencies for cybersecurity threats. There is no cost to be a member of this organization, and a vast number of cyber resources are available through membership.

ACTION ITEM 2:

Make Internal Policy Changes

The acquisition of funding for strategic plans and security upgrades is crucially important for the digital health of local government agencies. In the interim, however, a variety of internal measures can be taken to improve the cybersecurity of the local governments within the region. First, in coordination with the last action step, a specific individual or committee should be designated the responsibility of managing cybersecurity efforts. This will become increasingly important as digital operations become more central to the work of the local government agencies. This individual or committee would be responsible for tracking and applying for relevant funding opportunities, assessing and identifying gaps in existing systems, and creating processes for utilizing out-of-network support, where necessary.

One responsibility of this agency could be to select an external company to manage and provide oversight for a cybersecurity system. For local governments which do not employ any full-time staff with cybersecurity skillsets, private companies can be reasonable options. A contract with a firm with relevant experience in managing cyber-related issues can improve the security of the local government agency's internal processes and ensure data and other sensitive information are properly handled and stored.

Lastly, the adoption of internal policies at the local government level should be prioritized. These internal policies, while simple, can significantly increase the strength of information security systems and ensure information is kept safe. For example, a simple mandatory password change policy can greatly improve security; this would require that the login and verification credentials for all databases which contain sensitive information are updated on a regular basis to prevent a breach of security.

In addition, a policy that requires the use of software patches could be implemented. Software patches are small updates that fix problems in existing software systems, thereby increasing their security. In a recent study that surveyed local governments that required software patches, 85.7% of respondents indicated that the policy was at least somewhat helpful in preventing security breaches. To require regular updates to software programs ensures new vulnerabilities are addressed and sensitive information remains protected.

Lastly, mandated data backups can help prevent the effectiveness of many cyberattacks. Ransomware, for example, is a software that is installed which blocks access to data or information until a sum of money is paid to the attacker. Regular data backups can help prevent these types of incidents; if data is stored safely in several locations, the compromise of a single data storage center is not as costly, as the data is still accessible in another program.

Ultimately, these action items can be taken at the regional, county, or city level at little cost to the government agency. The benefits of completing the action items, however, can be vast, and more secure information systems help protect all stakeholders within the region.

BEST PRACTICE:

California Cybersecurity Integration Center

The California Cybersecurity Integration Center (Cal-CSIC) was formed in 2015 to “strengthen the state’s cybersecurity strategy and improving inter-agency, cross-sector coordination.” Because the State of California is so large, it’s a common target of cyberattacks. Therefore, the Cal-CSIC’s objective was to collect information, facilitate cyber threat intelligence sharing, and provide enhanced visibility of cyber threats affecting the state. A similar process, if on a smaller scale, could be replicated in the South Plains region.



FOCUS AREA 4:

Enhance Regional Collaboration

Many stakeholders expressed an opportunity for increased collaboration between counties and municipalities in the South Plains region. Much of the region is comprised of rural, isolated, small-town communities that might not have the resources to address large-scale issues on their own. In such cases, a regional network can be immensely helpful for pooling resources and streamlining efforts to address economic challenges where they arise. Below, the project team has identified three steps that can be taken to improve collaboration within the region.

STRATEGY 1:

Apply for Regional Funding

As mentioned previously, it is often the case that single municipalities, or even counties, are under-staffed or under-resourced, and are therefore unable to address pressing obstacles to economic development. The barriers are usually financial in nature; without sufficient funding, communities cannot support infrastructure development, business development, or quality-of-life improvements.

As an Economic Development District, SPEDD has an opportunity to expand funding options available to smaller communities within its purview. Many stakeholders cited the need for infrastructure improvements, industry shifts, housing development, and other economic adjustments. The federal government has recently passed major legislation funding new and existing programs which would enable communities to address some of their development needs. The most notable federal funding opportunities are those offered through the American Rescue Plan Act (ARPA) and the Infrastructure Investment and Jobs Act.

The American Rescue Plan Act (ARPA) was signed into law in March of 2021 and promised to provide relief for communities struggling with the impacts of the COVID-19 pandemic. The funds can be used to support small businesses, invest in industries hit hard by the pandemic, or develop water, sewer, and broadband infrastructure. In addition, of the \$350 billion allocated in ARPA funds, nearly \$40 billion are committed to addressing housing-related needs. In addition to low-income populations, the funds can be used to provide housing for populations that are historically marginalized or disadvantaged, such as ethnic minorities, disabled populations, or immigrants. Metropolitan cities receive ARPA funds directly from the U.S. Department of Treasury, and non-entitlement units of local government receive the federal funds through the state. Any funds received through ARPA do not have to be obligated until December 31, 2024. The project team suggests SPEDD take an active role in helping its communities properly utilize their funds in developing their economies.

The Infrastructure Investment and Jobs Act is a \$1 trillion bill which was developed to create jobs and support efforts to increase and improve infrastructure throughout the country. The infrastructure projects to be funded vary greatly; road systems, rail systems, water access, and broadband access are among the many areas promised funding. Much of this funding will be distributed through existing programs or agencies through grants for which communities can apply. This is an especially important opportunity for SPEDD, and one which should be taken seriously. As the largest economic organization in the region, and the one into which many small towns and counties fall, SPEDD could apply for grants. Then, if awarded, grant funding could be distributed or awarded to individual communities within the region. To apply as a large Economic Development District will make it easier for members of separate municipalities or communities to work together; they can pool resources and apply for large, region-wide projects that benefit the entire area. This would provide the communities the greatest return-on-investment of time and energy.

In addition to the funding opportunities listed above, there are a plethora of federal and state funds that would be available to SPEDD communities. A small group of SPEDD economic development professionals, elected officials, or other interested community members could be formed specifically for the purpose of identifying, cataloging, and applying for funds where they exist. In such a rural part of the country, it is crucial that small communities work together to address local problems, and a region-wide collaborative group focused on finding and acquiring funding could spur development in many of its communities.

STRATEGY 2:

Attract Tourists & Remote Workers with a Unified Brand

There are many valuable assets of the South Plains region that could – and have already begun to – attract tourists from around the country. The tourism industry is an excellent one to develop if a community has the resources or attractions to do so. Similarly, a new trend toward remote work has swept the country and is changing the state of the workforce. The South Plains region must prepare to capitalize on the opportunities that result from these changing trends, and a requirement for doing so is intra-regional collaboration.

To market the region as a destination for tourists or remote workers, the attractive assets of the region must be identified and organized into a cohesive marketing plan. One of the biggest tourist-draws to the region is the 6666 Four Sixes Ranch in Guthrie. Featured in the western television series *Yellowstone*, the ranch has attracted droves of tourists in recent years. In addition, there are several vineyards and wineries located within the region, which could attract a sizeable tourist population; Texas is not often associated with wine, and this region's unique concentration of vineyards could prove useful in drawing visitors to the area. Lubbock is a booming urban hub with character and plenty of restaurants, recreational facilities, and museums. Many small towns within the region are small quiet towns that are reminiscent of the settings of old western films. Collectively, these assets suggest that the region has much to offer tourists. When visitors come to town, they need accommodation, food, and entertainment, and they're willing to pay for it. A tourism attraction strategy can attract money to the region and catalyze local development.

Remote workers are attracted to many of the same assets that draw tourists. In the 21st century, many workers are looking to leave the hustle and bustle of urban hubs to reconnect with nature. The quiet, rural nature of many South Plains towns is immensely attractive to these workers, and with the option to work remotely, their relocation in the region is a real possibility. To encourage population growth and economic development, the region will certainly have to develop adequate housing and infrastructure; at the same time, though, the region's assets must be marketed to the population it wants to attract. Remote workers will not simply stumble upon the region; they must be actively attracted.

Proper tourist and remote worker attraction strategies, then, will require the creation of a unified, regional brand. Individual small towns might not have the resources to launch a large-scale marketing campaign; they might not even have enough marketable assets to fill out a plan. Collectively, though, the communities of the South Plains region have much to offer. Economic development professionals throughout the region must work together to (1) define its identity, and (2) devise a strategy for marketing that identity to targeted populations. In doing so, the region will attract new talent, money, and growth the small communities located within it.

STRATEGY 3:

Increase Connectivity

A crucial element of regional connectivity is transportation infrastructure. The South Plains region spans a huge swath of west Texas countryside, and fully developed road systems are immensely important for economic growth. Highways or interstates that intersect the region should be maintained or, where appropriate, newly developed. As mentioned previously, there are many funds available for infrastructure development at the federal and state level that could be utilized to support infrastructure development. The Texas Department of Transportation (TXDOT) is slated to receive nearly \$23 million in 2022 through the Federal Transit Administration, which will be used to improve transit service and reliability for residents in rural Texas communities. South Plains communities should actively engage economic organizations at the state and regional level to ensure their local transportation needs are taken into consideration when funds are administered.

Local airports, too, can increase regional connectivity. A feasibility study can be used to assess the costs and benefits of a proposed development. The South Plains region could conduct a feasibility study to determine whether the construction of a small regional airport could increase economic activity in the region or otherwise improve the wellbeing of South Plains residents. If the region itself is unable to conduct a feasibility study, a qualified third-party firm can be hired to carry out the study, instead.

Ultimately, improved connectivity benefits all areas of the regional economy. Businesses are more likely to settle within the area if they have easy access to nearby urban or suburban centers or resources. Residents, too, are afforded a greater quality of life with increased connectivity. Limited access to healthcare in rural areas of the region, for example, was often noted in stakeholder engagement sessions. With expanded infrastructure, remote residents will have easier access to doctors' offices, and doctors will be more likely to open practices further from city centers. Finally, economic development professionals will find it easier to collaborate on cooperative efforts throughout the region if the appropriate physical infrastructure exists. Strong networks of professionals located throughout the region are required to move the economy forward, and infrastructure improvements will support the development of those networks.



FOCUS AREA 5:

Adapt to Changing Environment

In the 21st century, environmental changes are affecting every aspect of the economy. Industries, businesses, and residents alike are being forced to deal with volatile environmental conditions that are the result of a rapidly changing global climate. In order to ensure the South Plains economy is adaptable, planning processes should be implemented proactively. No part of the economy is protected from the effects of environmental change, which means local governments should aim to develop a multi-faceted approach that provides direction to industry leaders, local businesses, and residents.

STRATEGY 1:

Invest in Business Diversity

As the data analysis provided in early sections of the report illustrates, much of the South Plains economy is reliant on the agriculture industry. This is an asset for the region; their ability to export large quantities of agricultural goods attract money to the region and supports local commerce. However, the environment within which the agriculture industry operates is changing. Therefore, the region should seek to develop other parts of the economy in order to mitigate the effects of future economic shocks.

A previous recommendation outlined the benefits of developing a regional business park that promoted businesses of a variety of industries; such a development could increase business diversity. Similarly, all of the efforts to promote entrepreneurship detailed in Focus Area 2 will also help spur business diversity. An in-depth analysis of the options available in an industry attraction strategy should be conducted. This analysis, often referred to as a Target Industry Analysis (TIA), should be performed by a qualified firm with experience in the field.

A TIA should serve to explain several aspects of the industry environment. For example, these analyses can help understand the transferability of skills in the region's existing workforce, and can provide insights into the best industries to attract, considering the existing workforce's skillsets. Further, these analyses can evaluate a variety of industry clusters, or small, focused groups of similar industries that support each other within the same economy. If an industry cluster is identified as having potential within the region, the South Plains leadership should seek to pursue the development of the cluster.

The businesses or industries attracted in the diversification process can, and maybe should be, related to the agriculture industry. Agriculture in the South Plains region is a valuable asset that should be leveraged in developing the rest of the economy. An intentional strategy for industry and business diversification can help reduce the chance of developing an overreliance on the agriculture industry, which will likely be affected by volatile environmental conditions. The project team suggests the following actions are taken to increase business diversity:

- Conduct a Target Industry Analysis (TIA) that identifies industries with high potential for growth within the region
- Research opportunities to develop new businesses that complement the existing agriculture industry
- Determine whether incentives can be used to attract and develop businesses in target industries

STRATEGY 2:

Double Down on Renewable Energy

Renewable energy is becoming a priority throughout the country, especially as gas and oil prices climb. While there are certainly inefficiencies that exist in many of the renewable energy systems used today, there is no doubt that the industry can be expected to grow in decades to come.

Stakeholders noted that renewable energy has already entered the region; wind and solar farms, in particular, have been installed throughout South Plains counties. The region's vast, windy countryside and hot desert summers lend themselves well to energy collection in these industries. In building on the last strategy focused on business diversification, the project team suggests a specific effort be made to understand how an energy industry cluster could be developed within the region. Texas has long been a supplier of energy to much of the country; its prominence as an energy producer could be continued if proper adjustments are made to align with broader economic and environmental trends toward more sustainable practices. Specifically, the project team suggests the following actions are taken as a part of this strategy:

- Conduct an analysis of the energy industry cluster, and seek to understand opportunities for its development in the region
- Determine which incentives can be offered to renewable energy businesses to develop in the region
- Work with local farmers to install, maintenance, and dispose renewable equipment, like wind turbines and solar panels

STRATEGY 3:

Prioritize Water Reclamation and Drought Preparation

In west Texas, continued water availability is perhaps one of the most pressing environmental concerns. As the climate changes, so will the region's systems for collecting, cleaning, storing, and using water. Access to clean water is a necessity to support business and the residential population. There are several steps that can be taken to proactively address the volatility of water availability in the 21st century. In taking action to create local government systems, acquire funding, and update water plans, counties throughout the region can make long-term water availability a reality. The project team suggests the region consider the following action items:

- Regularly explore and catalog federal funding opportunities offered through the U.S. Bureau of Reclamation
- Create county-level water plans that align with the 100-year water supply plan created for Lubbock in 2018
- Ensure local water departments are adequately funded to maintain their water resources and procure federal or state funds

BEST PRACTICE:

Clackamas County, Oregon

Despite the fact that Clackamas County is home to about 400,000 people, much of the county is rural. The agricultural industry is a large one, and most of the county draws its water from the Clackamas River. The county has listed its top two priorities to be (1) ensuring effective and efficient water treatment, and (2) creating collaborative partnerships to promote the continued education of local elected officials, residents and businesses. By increasing education around water use, the county hopes to ensure sustainable access to the valuable resource.

FUNDING OPPORTUNITY:

Resilient Texas Infrastructure Funding

Resilient Texas collaborates with Texas A&M AgriLife Extension Service to provide training, funding, and resources to Texas communities seeking to address a variety of economic issues. Their infrastructure arm supports projects related to water supply systems, stormwater management, and water conservation. Funding acquired through this program could support a variety of water-related developments within the region.



APPENDIX

Strategy Implementation Process

An implementation plan can help strategies materialize into clear action. The success of your community depends on its ability to implement its plans and execute key processes efficiently, effectively, and consistently. While developing a strategy an important first step in the recovery and resiliency process, the implementation itself is a crucial follow-up. To ensure the strategic plan makes the impact it's intended to, the project team suggests the following action items are taken.

1. SET CLEAR GOALS AND DEFINE KEY VARIABLES

The first step of the process is straightforward: You must identify the goals that the new strategy should achieve. Without a clear picture of what you're trying to attain, it can be difficult to establish a plan for getting there.

One common mistake when goal setting for a community or region is setting objectives that are impossible to reach. Goals should be attainable. Setting goals that aren't realistic can lead the citizens and key stakeholders to feel overwhelmed, uninspired, deflated, and potentially burnt out.

To avoid inadvertently causing low morale, review the outcomes and performances—both the successes and failures—of previous change initiatives to determine what's realistic given your timeframe and resources. Use this experience to define what success looks like.

Another important aspect of goal setting is to account for variables that may hinder your region's ability to reach them and to lay out contingency plans. The better prepared you are, the more successful the implementation will likely be.

2. DETERMINE ROLES, RESPONSIBILITIES, AND RELATIONSHIPS

Once you've determined the goals you're working toward and the variables that might get in your way, you should build a roadmap for achieving those goals, set expectations among your community and clearly communicate your implementation plan, so there's no confusion.

In this phase, it can be helpful to document all the resources available, including the organizations, departments, committees that will be involved. Outline a clear picture of what each resource is responsible for achieving and establish a communication process that everyone should adhere to.

Implementing strategic plans requires strong relationships and, as a stakeholder, you'll be in charge of telling people not only how to interact with each other and how often, but also who the decision-makers are, who's accountable for what, and what to do when an unforeseen issue arises.

3. DELEGATE THE WORK

Once you know what needs to be done to ensure success, determine who needs to do what and when. Refer to your original timeline and goal list, and delegate tasks to the appropriate team members.

You should explain the big picture to the implementation team, so they understand the company's vision and make sure everyone knows their specific responsibilities. Also, set deadlines to avoid overwhelming individuals. Remember that your job as a manager is to achieve goals and keep your team on-task, so try to avoid the urge to micromanage.

4. EXECUTE THE PLAN, MONITOR PROGRESS AND PERFORMANCE, AND PROVIDE CONTINUED SUPPORT

Next, you'll need to put the plan into action. One of the most difficult skills to learn as a leader of an implementation is how to guide and support stakeholders effectively. While your focus will likely be on delegation much of the time, it's important to make yourself available to answer questions the stakeholders and committees might have, or address challenges and roadblocks they may be experiencing.

One effective strategy for monitoring progress is to use monthly or quarterly status check-ins to provide updates, re-establish due dates and milestones, and ensure all teams are aligned.

5. TAKE CORRECTIVE ACTION (ADJUST OR REVISE, AS NECESSARY)

Implementation is an iterative process, so the work doesn't stop as soon as you think you've reached your goal. Processes can change mid-course, and unforeseen issues or challenges can arise. Sometimes, your original goals will need to shift as the nature of the project itself changes.

It's more important to be attentive, flexible, and willing to change or readjust plans as you oversee implementation than it is to blindly adhere to your original goals.

Periodically ask: Do we need to adjust? If so, how? Do we need to start over? The answers to these questions can prove invaluable.

6. GET CLOSURE ON THE PROJECT, AND AGREEMENT ON THE OUTPUT

Everyone should agree on what the final product should look like based on the goals set at the beginning. When you've successfully implemented your strategy, check in with each member and organization to make sure they have everything they need to finish the job and feel like their work is complete.

Frequent reporting to the implementation team should be considered, to gather information, details, and results from the stakeholders, so that you can paint an accurate picture to leadership.

7. CONDUCT A RETROSPECTIVE OR REVIEW OF HOW THE PROCESS WENT

Once your strategy has been fully implemented, look back on the process and evaluate how things went. Ask the implementation team questions like:

- Did we achieve our goals?
- If not, why? What steps are required to get us to those goals?
- What roadblocks or challenges emerged over the course of the project that could have been anticipated? How can we avoid these challenges in the future?
- In general, what lessons can we learn from the process?

While failure is never the goal, an unsuccessful or flawed strategy implementation can prove a valuable learning experience for an organization, so long as time is taken to understand what went wrong and why.

