



2008 State of the Region – CAPCOG Strategies

[Remarks delivered by Betty Voights, Executive Director, during CAPCOG’s 2008 State of the Region presentation on December 10th, 2008. The presentation is posted on the CAPCOG website at <http://www.capcog.org/information-clearinghouse/publications>]

Slide 19 - How will these trends impact CAPCOG’s work plan for 2009?

Slide 20 - As a designated Economic Development District by the Economic Development Administration, CAPCOG must develop a regional economic development plan every five years. The plan for this region, referred to by EDA as a Comprehensive Economic Development Strategy or CEDS, must be updated for 2010 so we will spend much of 2009 doing so.

As previous slides indicated, our region is likely to continue attracting people here and that’s not a bad thing when you consider the “Jobs Follow People” argument made by Richard Florida and others who focus on economic competitiveness issues. Talented people want to live where there is quality of place and our region has that, but we must ensure we maintain it. A major of focus of our efforts next year will be to work our way around the ten counties and make sure we develop strategies that keeps us competitive.

Continued growth has some negative implications too, particularly as it relates to land use, transportation, and air quality.

Slide 21 – If 80 of every 100 new residents are moving to cities, that trend tracks the planning being done by Envision Central Texas and CAMPO with regard to the need to focus growth in the region’s activity centers, areas that are already developed. But almost 20% of these new residents are moving outside cities to the ETJs or unincorporated areas.

Slide 22 – Almost half of the people moving to Burnet County are moving outside the cities. In Bastrop County 42% are moving to unincorporated areas. Even Travis County is seeing one fourth of their new residents choose the unincorporated area. If development in these parts of our region continues to be a hopscotch pattern, that translates to more roads, schools and buses, public safety vehicles and other infrastructure costs for local governments. CAPCOG will continue in 2009 to work with other regional partners to influence growth patterns including ongoing efforts to get counties transportation plans to give them increased land use authority.

Slide 23 – Employment will stay fairly stable in government and retail sectors with some increase in professional services. The WSJ reported today that technology companies’ growth will slow in 2009 – the good news is that it won’t decline. This is largely due to integration of technology in both the public and privates sectors requiring some level of spending on hardware, software, and services. Since our

region has a strong presence in technology-related business, we are not seeing a drop off on the professional services line on this graph. Manufacturing employment is showing a decline. According to the Texas Manufacturing Assistance Centers organization, many small and medium sized manufacturers could stay in the game if they would do a better job of accessing global markets – many of them need some help with innovating, automating, or marketing and this is a business retention strategy for economic developers. This next year is the time to focus on strengthening your existing businesses; there won't be very many companies in expansion mode looking for new sites. Also, it should be noted that our retail employment only stays fairly stable because of these other jobs.

Slide 24 – Air quality could be one of the biggest challenges in 2009. The new EPA standards could mean our region gets a Non Attainment designation and that could hamper economic development activities as well as transportation projects. The good news is that our Design Value for 2008, an average of the 06-07-08 years, is 77 and the new standard is 75 so we may be able to get our emissions low enough to eek by but it could take an all-out effort this next year between April and October. The Clean Air Coalition, the group of elected officials who work on this issue, is meeting next week to begin looking at strategies necessary to stay within the next standard. It should also be noted that the new Administration could push down requirements related to Climate Change, specifically reductions in carbon dioxide emissions. This could also mean a harder look at land use patterns and commutersheds in our area since reducing VMTs is typically a key part of CO2 reductions.

Slide 25 - CAPCOG's strategic planning process during 2008 culminated in an October work session with the executive committee and other elected officials who identified new initiatives for the upcoming year and beyond. Three of those relate to factors noted in this State of the Region Report. The first initiative came from a discussion about water planning and a request that CAPCOG expand the Information Clearinghouse to include a database of waterways, lakes, streams, aquifers, and recharge zones. Water planning, transportation, land use, and economic development will be the focus of a Growth and Development Assessment and one-stop-shop section in the Information Clearinghouse as the second initiative. A comprehensive assessment of workforce development related to demand for services, available resources, and identification of gaps is the third initiative. All three of these will be undertaken through collaboration and partnerships with other regional organizations working in these areas.