


SUMMARY BACKGROUND

Geography & Population

The Panhandle Regional Planning Commission serves as the Economic Development District for the Texas Panhandle—the northernmost region of the state which is bordered by New Mexico on the west and Oklahoma on the north and east. The Texas Panhandle is 26,000 square miles of plains comprised of twenty-six counties and sixty-three municipalities. The current population of the region is projected to be 435,775, of which the Amarillo Metro Area in the geographic center accounts for about sixty (60) percent of the people. Outside of the Amarillo Metro Area, the region has four “micropolitan” cities with populations between 10,000 and 20,000, but most communities have populations below 4,000.


Out of twenty-six counties in the region, eighteen currently meet the Economic Development Administration (EDA) guidelines for being distressed based on the county’s per capita money income (5-year ACS) or both the county’s per capita money income (5-Year ACS) and per capita personal income (BEA) sitting at eighty (80) percent or less of the U.S. respective per capita income. These distressed counties including: Briscoe, Castro, Childress, Collingsworth, Deaf Smith, Donley, Gray, Hall, Hansford, Hartley, Hutchinson, Moore, Ochiltree, Oldham, Parmer, Potter, Swisher, and Wheeler. Currently no counties in the region meet the EDA distress level criteria of being at least one (1) percentage point higher than the national 24-month Average Unemployment Rate (BLS).

Panhandle Regional Planning Commission

 Non Distressed

PCPI = Per Capita Personal Income

US PCPI: \$56,490

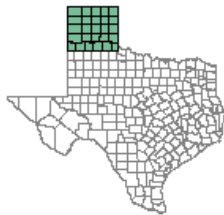
 Distressed

PCMI = Per Capita Money Income

US PCMI: \$34,103

Data Source: US Census Bureau: 5-Year ACS and BEA

Dallam PCPI: \$64,756 PCMI: \$27,491	Sherman PCPI: \$97,002 PCMI: \$30,467	Hansford PCPI: \$65,330 PCMI: \$20,410	Ochiltree PCPI: \$60,862 PCMI: \$23,624	Lipscomb PCPI: \$77,810 PCMI: \$28,131	
Hartley PCPI: \$81,238 PCMI: \$20,563	Moore PCPI: \$46,108 PCMI: \$23,001	Hutchinson PCPI: \$43,981 PCMI: \$24,434	Roberts PCPI: \$48,344 PCMI: \$30,955	Hemphill PCPI: \$57,053 PCMI: \$31,530	
Oldham PCPI: \$55,479 PCMI: \$26,408	Potter PCPI: \$46,086 PCMI: \$22,568	Carson PCPI: \$48,571 PCMI: \$34,708	Gray PCPI: \$44,127 PCMI: \$24,686	Wheeler PCPI: \$44,309 PCMI: \$27,093	
Deaf Smith PCPI: \$52,368 PCMI: \$21,616	Randall PCPI: \$49,544 PCMI: \$34,293	Armstrong PCPI: \$53,422 PCMI: \$31,749	Donley PCPI: \$45,531 PCMI: \$25,534	Collingsworth PCPI: \$42,026 PCMI: \$25,681	
Parmer PCPI: \$49,541 PCMI: \$23,859	Castro PCPI: \$64,427 PCMI: \$21,884	Swisher PCPI: \$51,779 PCMI: \$19,697	Briscoe PCPI: \$44,413 PCMI: \$23,933	Hall PCPI: \$33,095 PCMI: \$21,907	Childress PCPI: \$30,731 PCMI: \$21,233



Economic Foundation of the Texas Panhandle

The Texas Panhandle's economy has largely been tethered to agriculture, energy, and the defense industry. Many of the Texas Panhandle's communities were founded on the back of the region's ranching heritage in the 1870's and 1880's with famed ranches such as the XIT and JA Ranch. Towns formed along the railroad where cattle and raw agricultural products were exported to Chicago and other trade centers. Today, the region still leads the way as the largest concentration of fed beef in the nation. According to a 2019 Texas A&M AgriLife report, if the region were its own state it would also be in the top three states for cotton production, top five for sorghum production, and top fifteen states for dairy, corn, and wheat production. Agricultural processing plants dot the region with Tyson, JBS, Cargill, Caviness Beef Packers, Merrick Pet Care, and Hilmar Cheese among the companies with facilities in the Texas Panhandle.

Discovery of oil in the region in the early 20th Century led to an oil boom in the 1920s and 1930s concentrated primarily in the Panhandle field in the north central and eastern counties of the region. The Hugoton Panhandle gas field was once considered one of the world's largest known gas reserves. Furthermore, in 1964 an estimated ninety-five (95) percent of the world's recoverable helium was produced within a 250-mile radius of Amarillo. A Phillips 66 refinery in Borger and Valero refinery in Sunray as well as two carbon black plants in Borger process the area's oil and gas. Though oil and gas are still prominent in the region, renewable energy is also becoming established in the area. There were no wind turbines in the Texas Panhandle in the year 2000, and according to the U.S. Wind Turbine Database there are about 2,400 in the region in 2021. Additionally, the first solar farm in the region was recently built in Childress County with a second solar farm planned adjacent to it.

The defense industry has also been a fixture in the region's economy and has traditionally been one of the main sources of skilled and well-paying jobs in the Texas Panhandle. The Amarillo Air Force Base opened during World War II. In its heyday, 5,600 servicemen were stationed at the Air Force Base with an additional 1,511 civilian jobs. Its closure in 1968 had a dramatic economic impact to the Texas Panhandle and impeded the growth of the region for decades. The Pantex Plant located east of Amarillo was established in 1942 to support the war effort providing conventional bombs and artillery shells. According to Pantex, it now employs 3,300 full-time personnel who ensure the safety, security, and reliability of the nation's nuclear stockpile. Bell Helicopter opened a plant in Amarillo in 1968 at the former Amarillo Air Force Base. The original facility was closed in 1990 and the production lines were moved to Fort Worth. However, in 1998 Bell Helicopter broke ground on a new Amarillo facility and has been assembling helicopters at its Amarillo plant ever since. Employment at the Bell facility in Amarillo widely ranges based on the company's contracts—employment hit a high of 1,300 workers in 2012 but the plant has operated with 600 to 800 employees in more recent years. Additionally, Canon Air Force Base in Clovis, New Mexico, which has 5,800 military and civilian personnel, sits less than twenty miles west of Parmer County, Texas. Although Canon AFB is not located in the Texas Panhandle region the proximity of the base to the area makes it an economic driver for some Texas Panhandle communities, especially in the western part of the Texas Panhandle.

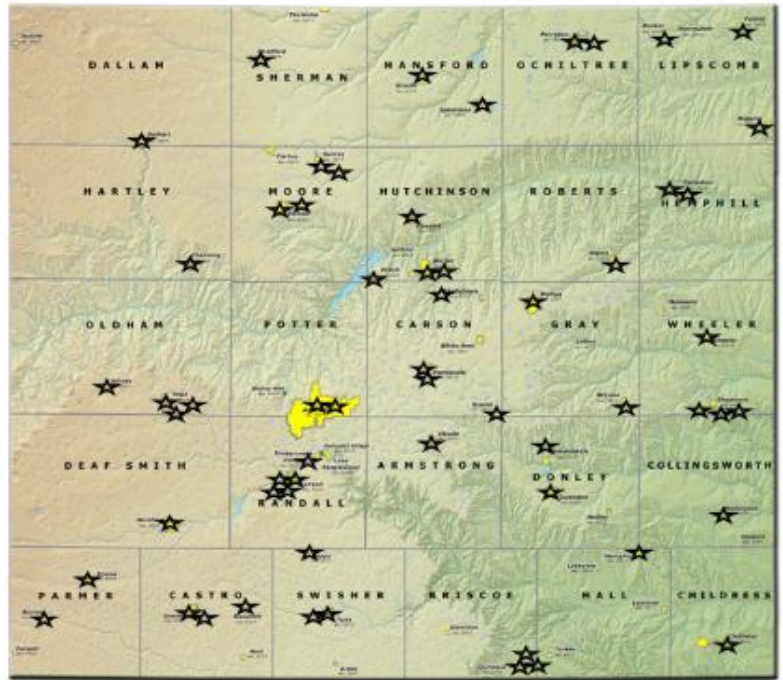
Current Economic Conditions

CEDS Primary Research Methodology

Texas Panhandle CEDS Survey

In January through March of 2021, the Panhandle Regional Planning Commission distributed an online survey to local government and economic leaders about the economic state of the Texas Panhandle. The survey asked respondents to rate characteristics of their communities' employment, wages, housing, ability to attract business, and the diversification of their local economy. The respondents were asked the same questions about the Texas Panhandle as a whole to gauge how they viewed their community's economy relative to their perception of the regional economy. Additionally, respondents were asked about the economic strengths and needs of their community, which city served as their regional hub and to characterize their relationship with the regional hub, and the economic impacts the community has had from the COVID-19 pandemic. Sixty (60) responses were received representing all twenty-six (26) counties in the region and forty-one cities (about two-thirds of the communities in the region). The survey questions are included as **Appendix 2**.

Exhibit 1: Texas Panhandle CEDS Survey



CEDS Round Table

Members of the Panhandle Economic Development Advisory Committee and local leaders who expressed interest in participating in a focus group regarding economic development were invited to participate in a CEDS Roundtable with the purpose of collecting perspectives to create an Action Plan for the CEDS. Eleven local economic leaders representing nine communities spread across the region met at Panhandle Regional Planning Commission's Offices in Amarillo on June 2, 2021 for the CEDS Roundtable. The roundtable was structured into two exercises. First, participants were separated into three groups based on the population of their communities and asked to produce a SWOT analysis of the region's economy with their group members. Participants were provided with a list of economic characteristics that they could include in the SWOT, but they were also encouraged to create their own answers. The three groups then convened to compare and discuss the similarities in their SWOT analyses. For the second exercise, the three groups were mixed up so each group included people from both small and large communities. Each group was assigned two of the most cited opportunities and

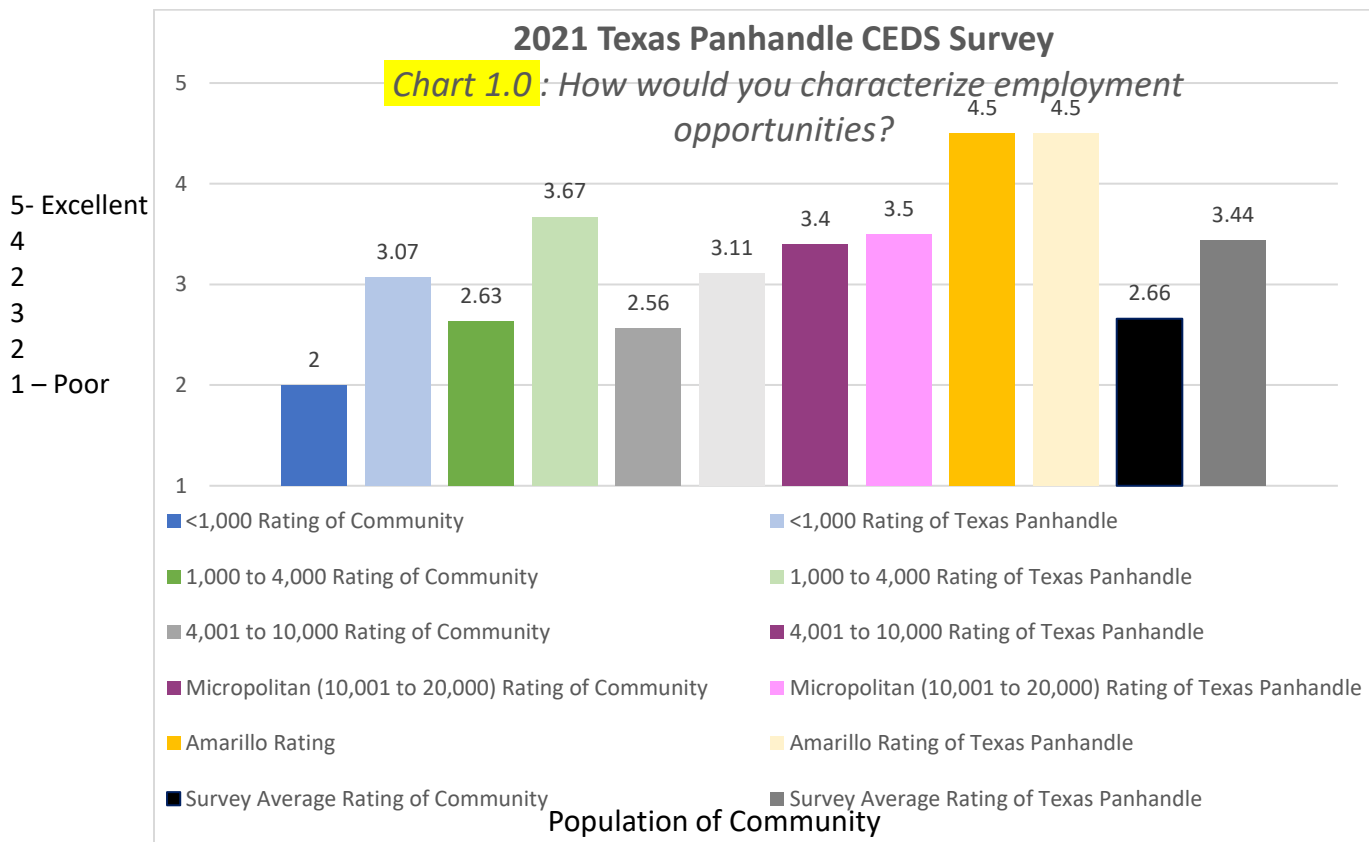
two of the most common threats to workshop. Groups were asked to provide ideas and examples of how to capitalize on the opportunities they were assigned and mitigate the threats. The roundtable ended with convening all three groups to discuss the ideas that each group had developed. [Appendix 3](#) includes the worksheets provided in Roundtable exercises. [Appendix 4](#) provides a summary of the information and ideas that came out of the CEDS Roundtable.

Employment & Wages

Employment prospects in the Texas Panhandle are very different depending on the size of the community, and residents of small communities often commute to neighboring larger cities for work. According to a recent report published by the Federal Reserve Bank of Dallas, “Most Amarillo workers are in service occupations, with 46 percent in the retail, health services, education and food services industry clusters.” The average survey respondent from communities of fewer than 1,000 people rated their community’s employment opportunities as a “2” on a scale from 1 (Poor) to 5 (Excellent) while the average Amarillo respondent rated their community’s employment opportunities as a “4.5”. One survey respondent from a small city stated, “We have people in our community that would like to work here [but have to commute to another town with more job opportunities].” Each population group, aside from Amarillo, rated regional employment opportunities higher than their own community’s—the gap between community and regional employment opportunities tightens as the population grows (as seen on Chart 1.0). Over eighty-five (85) percent of respondents in communities of fewer than 1,000 said the supply of jobs in their community is insufficient whereas thirty-three (33) percent of respondents from the region’s micropolitan cities (populations of 10,001 to 20,000) said the supply of jobs in their community is insufficient.

On average, respondents in micropolitan cities and Amarillo were more likely to agree or respond neutrally to the statement “There are ample opportunities for advancement/upward mobility in my community” than people living in communities of 10,000 or less. One survey respondent in a community of about 2,000 noted, “Many people have been in the same position for years, salaries in town are thousands lower where the same job in a larger town would pay better.” In general survey respondents were neutral about their community wages as they rated wages an average of “3.17” on a scale of 1 (Poor) to 5 (Excellent). However, many contextualized wages based on a perceived low cost of living, saying on average cost of living in their community is a “2.64” on a scale of 1 (Very Low) to 5 (Very High). However, the Texas Panhandle’s per capita money income of \$26,877 is 78.81 percent of the U.S. average and almost seventy (70) percent of the counties in the region meet EDA’s distress criteria based on per capita money income. With current national inflation concerns, the low cost of living in the area may not persist to mitigate low incomes.

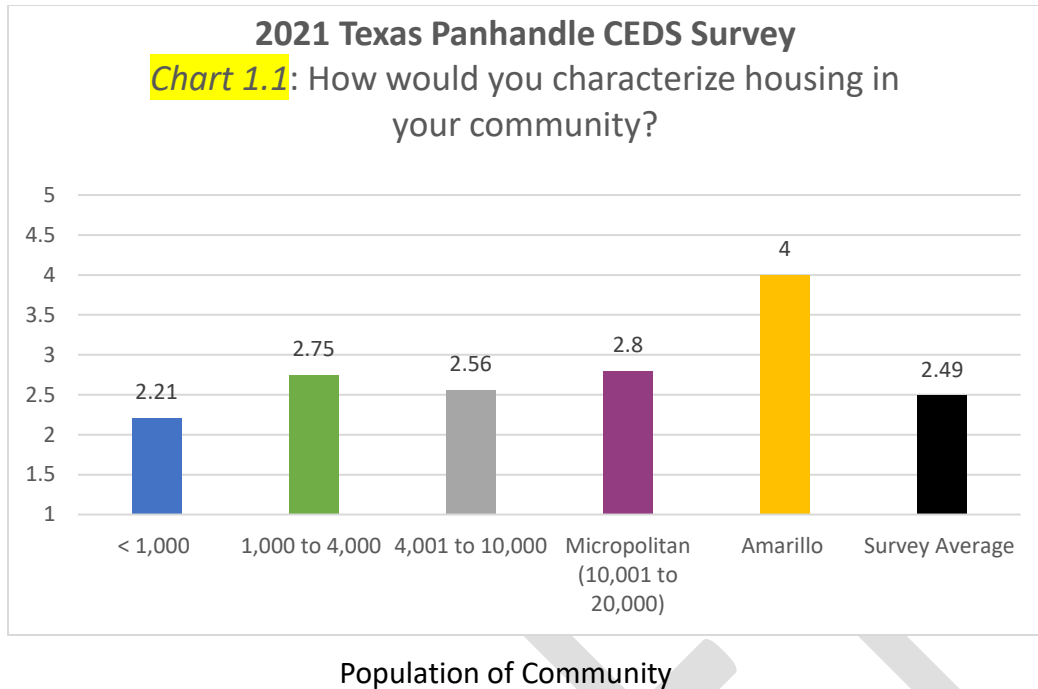
Although there are not many major employers in the region, the area’s unemployment rate is consistently among some of the lowest nationally. Low unemployment can partially be attributed to the prevalence of self-employment in the Texas Panhandle. According to the StatsAmerica Innovation 2.0 Comparison, the Texas Panhandle Economic Development District is in the 25th percentile for Large Establishments and 33rd percentile for Small Establishments but in the 91st percentile for Proprietorship. Further, underemployment is also a concern in the region and may explain the consistently low unemployment numbers. While Jobs are available, they are oftentimes not high paying jobs and indicates strong underemployment throughout the region.



Housing

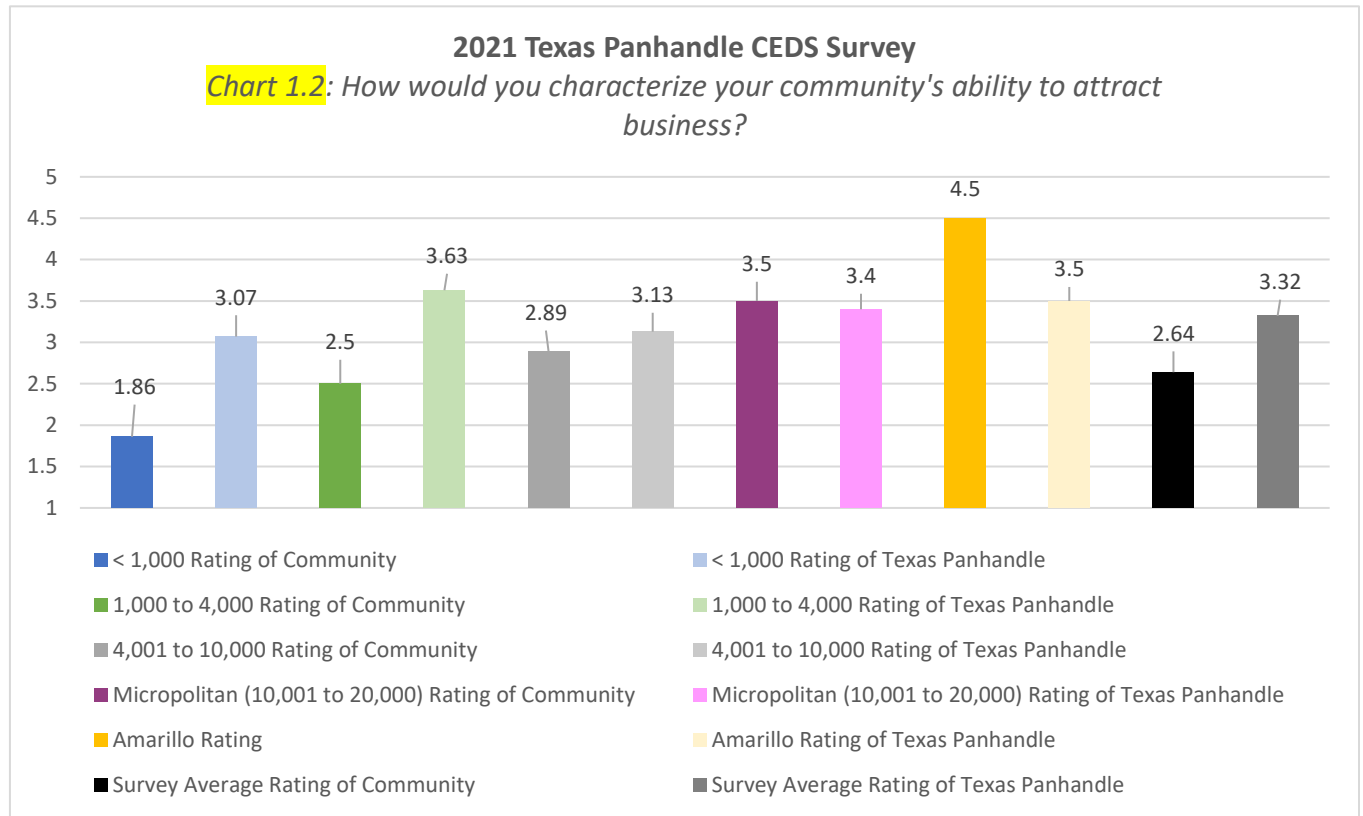
One of the most definitive needs cited in both the survey respondents and roundtable participants at the local and regional level is new housing, especially outside of the Amarillo area. Sixty-four (64) percent of survey respondents said housing demand was greater than housing supply in their community. According to five-year American Community Survey (ACS) data, 83 percent of Texas Panhandle housing units outside of the Amarillo area were built prior to 1990. The south side of Amarillo in Randall County is the only part of the region that has mirrored the U.S. rate of new builds. Thirty-seven (37) percent of the housing units in the south side of Amarillo (Randall County) has been built since 1990 while 33.1 percent of the housing units nationally have been built over the same time period. **Chart 1.1** shows the how respondents rated housing in their communities. A respondent in a community of less than 1,000 said, "Housing in rural areas is both insufficient and below standards. This restricts the prospects of economic development in most cases. It also increases the need for many workers to drive significant distances for employment."

5- Excellent
4
3
2
1 – Poor



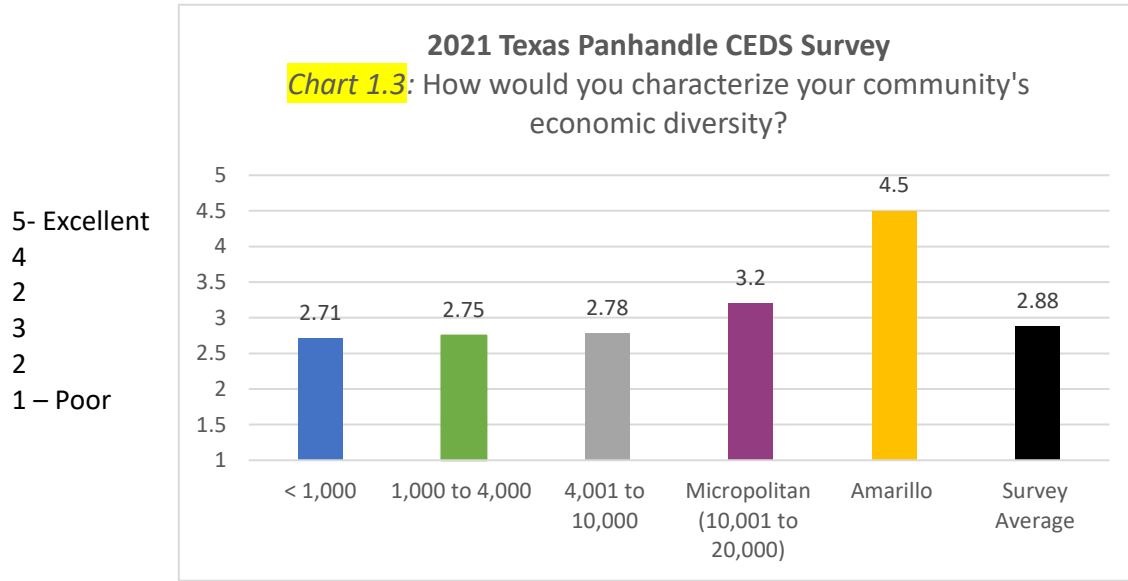
Business Attraction

People in communities below 10,000 rated the Texas Panhandle's ability to attract business as higher than their own communities while micropolitan and Amarillo respondents believed the opposite. (See Chart 1.2). A survey respondent in a community of about 500 people said, "Business attraction/expansion is in dire need for our town. We are in a prime location with locations available for business but do not have the knowledge on how to attract business to our location." Survey respondents outside of Amarillo were not confident that their housing could support substantial job creation and respondents of all populations did not believe their workforce (qualified and available) needed to support a new major employer without the need to need to bring in a substantial outside workforce. Micropolitan cities and Amarillo respondents answered they had available incentives they were willing to use to attract business and that their community has a lifestyle that would be attractive to an outside workforce.



Economic Diversification

Greater economic diversification, especially for communities outside of Amarillo, is needed to build the economic resilience of the region. As stated previously, the regional economy is very largely tied to traditional industries of oil and gas production and agriculture. While there has been some diversification in local economies throughout the region, there still exists a direct correlation between the health of these traditional industries and the economic growth and prosperity throughout the region. **Chart 1.3** shows community leaders ratings of their community's economic diversity.



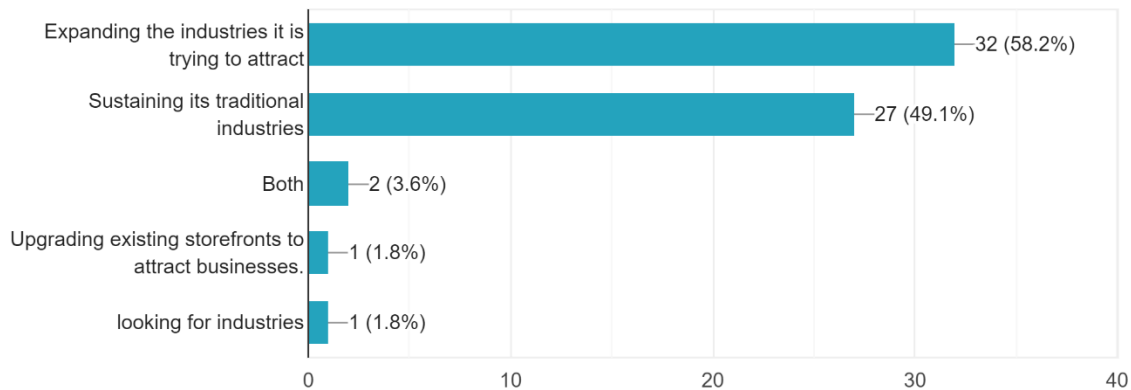
Economic leaders in communities below 10,000 were more likely to believe a decline in a specific industry would have an effect on their communities, and communities outside of Amarillo were definitive that the closing of a major employer would or has affected the economy of their community. A leader in a community of 2,000 stated, “We need industry other than agriculture.” Another respondent in a micropolitan city said, “As in most Panhandle locations, we are dependent on agriculture and energy. We would love to diversify more to help offset that dependency.” **Chart 1.4** shows the economic strategy economic leaders said their communities are currently taking.

2021 Texas Panhandle CEDS Survey

Chart 1.4

My community is focusing on:

55 responses



Relationship with the Regional Hub

About ninety-two (92) percent of survey respondents named Amarillo as the regional hub for their community for healthcare, shopping, entertainment, etc. with a few respondents (primarily in cities under 1,000) saying a Texas Panhandle micropolitan city or City outside of Texas Panhandle was their regional hub. Most communities characterized their community's relationship with Amarillo as neutral or positive. However, about seventy-four (74) percent of respondents disagreed or strongly disagreed that Amarillo brings tax dollars into their community with only three respondents, all in micropolitan cities, agreed Amarillo brings tax dollars into their communities.

The affect respondents believe Amarillo has on their community's economy ranged depending on the size of the city. People in the smallest communities (under 1,000) mostly thought Amarillo isolates itself from its neighboring, smaller communities, but larger communities did not. About sixty-four (64) percent of people in communities from 1,000 to 4,000 people think Amarillo provides resources and opportunities for their communities, but every other community category had more people answer that Amarillo draws resources and opportunities away from their communities. Additionally, seventy-five (75) percent of respondents in communities of 4,001 to 10,000 said Amarillo has decreased their community's population. Micropolitan communities leaned slightly more toward "Amarillo contributes to employment opportunities in my community." and "Amarillo supplies workforce for businesses or industry in my community", but smaller communities tended to believe the opposite.

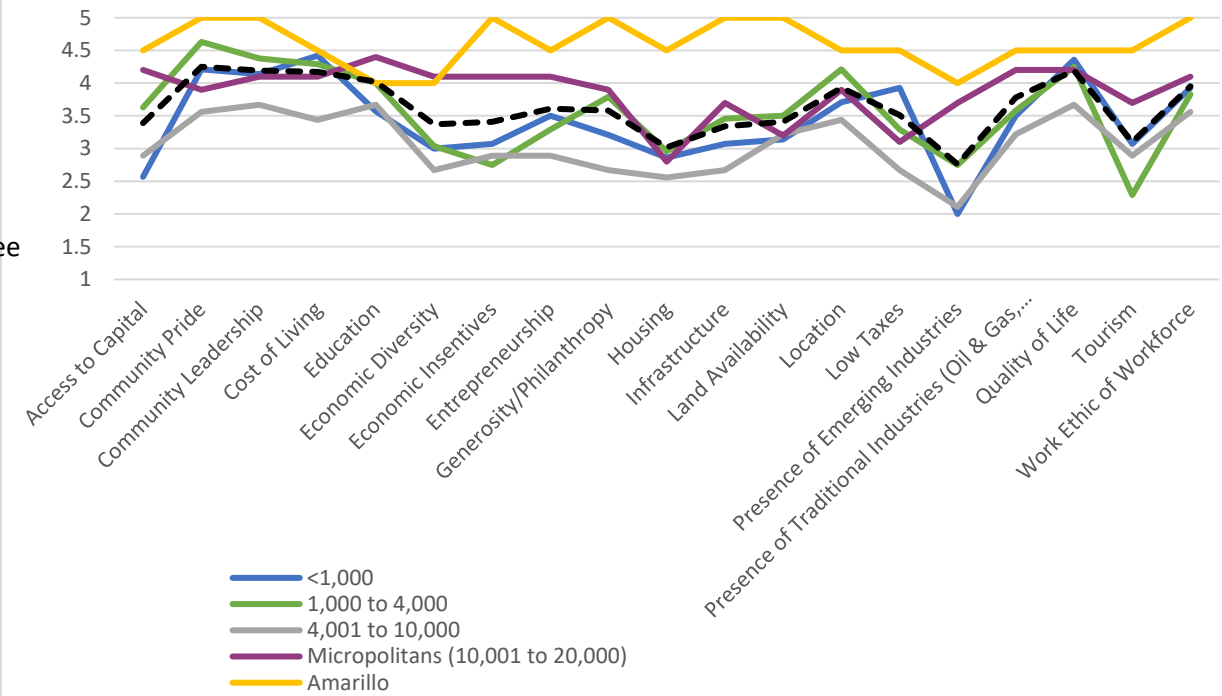
SWOT ANALYSIS

Survey respondents were asked about the strengths of their community and their community's most important economic needs. **Chart 1.5 and 1.6** reflect their answers based on population.

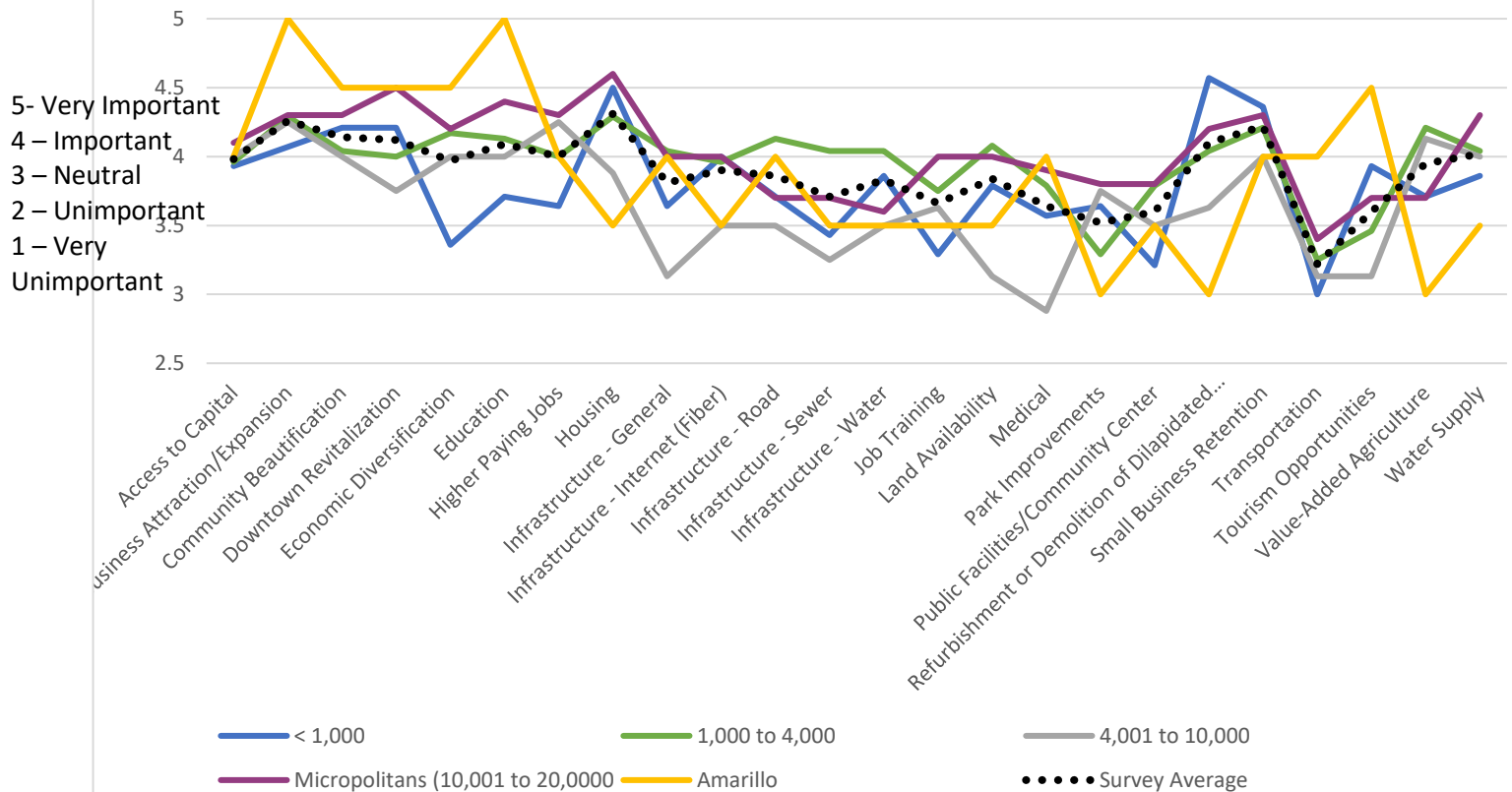
2021 Texas Panhandle CEDS Survey

Chart 1.5: Which Strengths Contribute to the Economic Viability of Your Community?

5- Strongly Agree
4 – Agree
3 – Neutral
2 – Disagree
1 – Strongly Disagree



2021 Texas Panhandle CEDS Survey
Chart 1.6: What are the most important needs to grow or sustain the economic viability of your community?



Based on the information gathered from the survey, participants in the CEDS roundtable worked on SWOT analyses charts in three peer groups. The economic factors named in the categories “Strengths”, “Weaknesses”, “Opportunities” and “Threats” were found to have the most commonality between the cross section of communities represented.

Strengths

- Community Pride & Quality of Life** – The Texas Panhandle prides itself in its close-knit communities of neighborly, “salt of the earth people”. One survey respondent described, “[The] region has a reputation for being hard working and willingness to take on a task and see it to completion—some call it the Panhandle Pioneer Spirit.” The industriousness of the region combined with qualities like low taxes (no state income tax, no personal property tax etc.), a family-friendly culture, open land, little traffic, etc. make it an attractive place to open or move a business.

- Cost of Living** – The State of Texas has experienced a high in-migration in recent years largely due to the comparatively lower cost of living in Texas than other states. Additionally, the Panhandle has a low cost of living even relative to other Texas regions. Based on CNN Money’s Cost of Living calculator it is more expensive to live in San Antonio by thirteen (13) percent, Lubbock by fourteen (14) percent, Houston by seventeen (17) percent, Austin by twenty-five (25) percent, and Dallas by thirty-three (33) percent than it is to live in Amarillo.
- Education** – The survey respondents and focus group rated education, especially K-12, as one of their community’s biggest strengths. The region has three strong community college which play key roles in workforce training in many of the region’s communities—the colleges include Amarillo College with campuses in Amarillo, Dumas, and Hereford; Frank Phillips College with campuses in Borger, Perryton, and Dalhart; and Clarendon College with campuses in Clarendon, Pampa, and Childress. The Texas Panhandle also has an acclaimed regional university, West Texas A&M University located about twenty miles south of Amarillo in Canyon.
- Generosity/Philanthropy** – Generosity is part of the fabric of several Texas Panhandle communities. The region benefits from the philanthropic legacies of early Texas Panhandle settlers who made money in cattle and oil as well as an abundance of non-profits that have been founded in recent years. The Amarillo Area Foundation held its fifth annual “The Panhandle Gives” drive in a week span leading up to “Giving Tuesday” on December 1, 2020. Collectively more than 5,000 donations raised \$3.5 million for more than 150 nonprofits spanning the region.
- Medical** – Amarillo serves as a center for medical care for the Texas Panhandle as well as parts of Eastern New Mexico, the Oklahoma Panhandles, and Southern Kansas. The medical complex includes Northwest Texas Healthcare System, BSA Health System, the Thomas E. Creek VA Medical Center, and the Texas Tech University Health Sciences Center. Additionally, a wide variety of specialists practice medicine in Amarillo. Most Texas Panhandle communities larger than 4,000 people have a community hospital and those with populations over 1,000 usually have a medical clinic.
- Value-Added Agriculture** – The region’s economic core in agricultural production is enhanced by agricultural processing. The region’s beef is processed at several plants which employ thousands and multiple dairy facilities make milk into cheese, butter, and other milk products. A couple of homegrown value-added agriculture companies include Merrick Pet Care, a pet food company founded in Hereford, and MILO Insulation, a company in Tulia producing loose fill attic insulation made from sorghum.

Weaknesses

- Dilapidated Buildings** – Many communities in the Texas Panhandle have commercial buildings which are dilapidated but leadership faces problems in revitalizing or demolishing the structures due to absentee ownership and the lack of resources to enforce code. These vacant and abandoned properties have negative spillover effects that

impact neighboring properties and, when concentrated, entire communities. Research links foreclosed, vacant, and abandoned properties with reduced property values, increased crime, increased risk to public health and welfare, and increased costs for municipal governments.

- **General Infrastructure** - Aging regional infrastructure and increasing infrastructure demands pose a great concern to many of the communities in the Texas Panhandle. Water and sewer infrastructure were largely put in place prior to 1960 throughout the region; and, limited local fund availability over the last half century has resulted in failing infrastructure that cities must address. The use of local funds, low interest loans, and the Community Development Block Grant Program are all being used by localities to address this issue and increase local infrastructure capacity to address growing economic demands. Unfortunately, communities with small populations that can only generate very small amounts of capital through the normal channels of property taxes and utility rates combined with dwindling federal and local fiscal resource availability create a concern for the region regarding locality ability to maintain and expand infrastructure.
- **Housing** – As stated prior, new housing is desperately needed throughout the region due to population growth or dilapidation of existing housing. A variety of housing is in needed including single and multi-family housing, as well as affordable and mid-range housing. However, Panhandle communities have been challenged to attract builders. Although micropolitan cities and small towns need housing, the volume of their demand does often not present the same business opportunity that subdivisions do in larger cities.
- **Population Limitations** – Due to the size of our communities, the leaders in our cities and counties wear multiple hats. Our average survey respondent self-reported they serve/served about three roles in their community—the respondents in communities of less than 1,000 and in communities of 4,001 to 10,000 serve four or more roles. Roundtable participants verbalized that the population limitations they experience make it difficult to find people who will step up in the community. However, population limitations also mean the community members have filled the same roles over long periods of time which leads to the loss of community knowledge when a leader moves or passes away and a prevailing desire to “do things the way they always been done”.
- **Water Supply** – Over ninety (90) percent of the Texas Panhandle’s groundwater comes primarily from the Ogallala Aquifer. Water use throughout the High Plains, attributed to primarily to irrigated farming, is causing depletion of the aquifer at a rate that the Ogallala’s recharging rate of less than 1 inch per year cannot keep up with. Through regional water planning, ground water districts are working to adopt practices to slow the depletion of the Ogallala. However, the Ogallala’s depletion plays a persistent challenge for the Texas Panhandle’s economy.

Opportunities

- **Business Attraction/Expansion** – Communities across the region are looking to attract new businesses and aid their successful, established companies in expanding. Many are

particularly looking for new industries to diversify their economies. Amarillo has been successful recently in attracting businesses outside of the scope of its traditional industries. Texas Tech University just built its School of Veterinary Medicine in Amarillo, with a focus on training large animal and rural veterinarians. The school will welcome its first class in the fall. Additionally, Sharpened Iron Studios, a film production studio that is also teaching curriculums for Amarillo College students was established in Amarillo in 2020.

- **Community Leadership** – One of the most important factors for sustaining small communities is fostering community involvement and leadership in younger generations. According to StatsAmerica, the region's Salad Days population growth (the annual average growth rate for the population ages 25 to 44 from 2002 to the latest year available) is in the 81st percentile. With much of the population in this desirable population window, it is advantageous for cities to cultivate leadership skills in this age group to ensure the future of their communities. Strengthening ties to communities through leadership opportunities is also a measure to counter outmigration.
- **Cultural Attractions** – Round table participants agreed that adding regional cultural attractions or more effectively marketing existing attractions is a good strategy for spurring economic development. In 2019 Amarillo became the home of the Sod Poodles, a new minor league baseball team which is currently the Double-A affiliate for the Arizona Diamondbacks. Additionally, several communities in the Texas Panhandle have recently started large community events to draw in tourism.
- **Downtown Revitalization & Community Beautification** – In recent years, Texas Panhandle communities have renewed their focus on improving their downtowns in order to spur economic development. Five communities have received Downtown Revitalization grants for sidewalk infrastructure through the TxCDBG Downtown Revitalization Program and several economic development corporations have created façade grants available for downtown businesses.
- **Job Training** – The Texas Panhandle has low post-secondary educational attainment with thirty-three (33) percent of the population whose highest education level is "Some College" and twenty-two (22) percent of the population with a "Bachelor's/Grad/Professional Degree". Roundtable participants believe that putting resources into job training at trade schools and community colleges will lead to a better talent pool for existing businesses and aid economic development staff in attracting new business. However, some participants voiced concern that if the jobs requiring these skills are not already abundant, job training programs will lead to an acceleration of outmigration to metro areas who have more opportunities for people to utilize their newly acquired skill or certificate.
- **Location** – The Texas Panhandle's central location, open land, and interstates make it primed for economic growth. Interstate 40 (I-40) runs east and west through the center of the Texas Panhandle spanning 177 miles from the Texas/New Mexico border to the Texas/Oklahoma border—Amarillo sits about halfway between Albuquerque, New Mexico and Oklahoma City, Oklahoma on I-40. Additionally, the planned Ports-to-Plains

Corridor, including parts of US 87 and US 287, runs north and south through the vertical span of the region. Though location has been an underutilized asset of the Texas Panhandle in the past, new opportunities are emerging largely due to location. An Amazon warehouse which will employ over 500 people fulltime is currently under construction in Amarillo and anticipated to open in early 2022.

- ***Emerging Industries*** – Growing and attracting emerging industries was named as an important opportunity by our roundtable participants that will also work toward the aim of diversifying the regional economy. Local education institutions are key to the achievement of this vision. Amarillo College recently launched its Innovation Outpost, as part of an EDA project, with the mission to “advance industrial innovation, digital transformation and twenty-first century skill development to foster a more competitive and advanced economy in West Texas.”

Threats

- ***Lack of Economic Diversity*** – There have been recent efforts to diversify the regional economy by bringing in new industries, mostly in Amarillo. However, much of the region is still deeply connected to agriculture and/or oil & gas. Small communities since they have a limited number of people can find it more advantageous to tailor resources and job training to a specific industry. Even so, adopting this economic strategy means dips in the commodities market hurt the entire community. One survey respondent in the northeastern Panhandle said, “The oil and gas industry in this community has fallen on very hard times, we are mostly natural gas producers and there is an overabundance of natural gas in this country and it is easy to find and produce. Many companies have closed and many, many folks have lost their jobs. Add COVID to this and things are just ugly around here at this time.” A respondent from another community tied to the oil & gas industry had a similar sentiment stating, “When the oilfield is active jobs are good and when the oilfield is down times are hard.”
- ***“Out of Sight, Out of Mind”*** – Although the Panhandle region accounts for ten (10) percent of the land in Texas, the population only represented 1.51 percent of the State in 2020 according to a projection from the Texas Demographic Center. Even though the population is growing in the region, the State’s growth is anticipated to outpace it even more with the region projected to represent only 1.19 percent of the State’s population in 2050. The isolation of the Panhandle is compounded by our geographic distance from our State Capital and the metro areas of the State. Amarillo is closer to the capitals of Oklahoma, New Mexico, and Colorado than it is to Austin. The region’s small population and geographic isolation make residents feel their interests are overshadowed at the state level.
- ***Insufficient Internet Speed/Fiber*** – According to December 18, 2020 Connected Nation data, fourteen of the counties in the region have less than fifty (50) percent availability of Fixed, Terrestrial Non-Mobile Broadband Service of 100 Mbps Download/10 Mbps Upload. The COVID-19 pandemic accentuated the importance of Internet for work and school. While Texas Panhandle economic leaders have seen the pandemic as an opportunity to attract people to rural communities with the proliferation of jobs becoming remote, having quality Internet will be a basic requirement for getting

people to move to small communities. An economic development leader in a community of about 1,600 stated, "I truly believe we will see many moving "back" or "in" to [our community] for that "micro" rural life. If we are able to give them adequate internet infrastructure, then some of the other bigger quality of life things can be forgiven and they will be happy to be here."

COVID-19 PANDEMIC

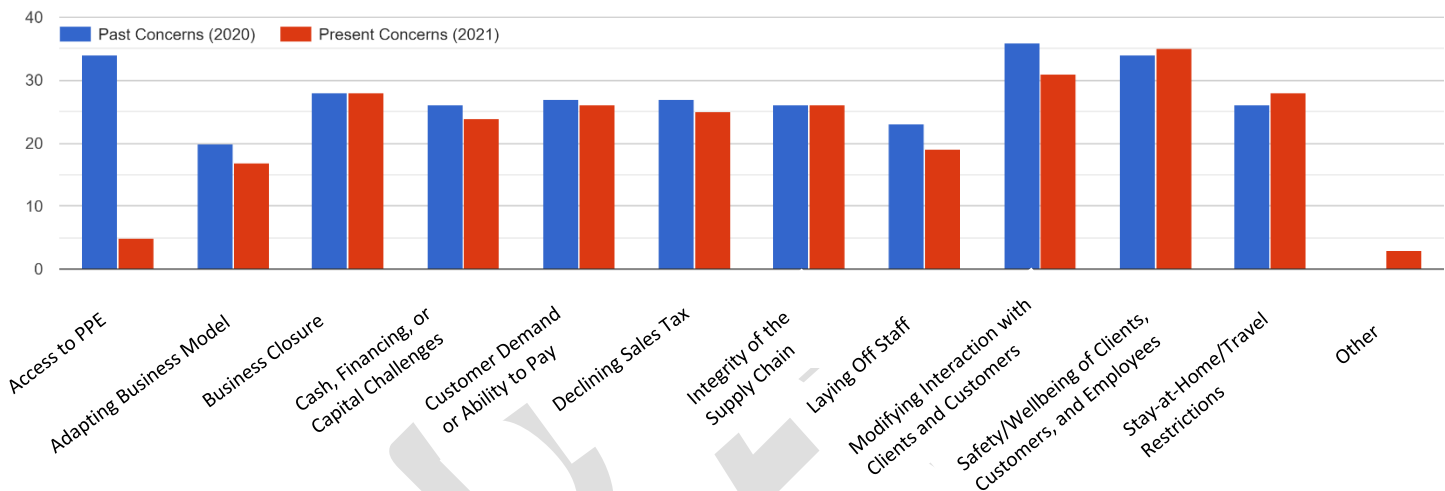
The Coronavirus (COVID-19) pandemic presented both economic and public health challenges for the Texas Panhandle Region. However, the impact ranged widely in the region depending on the community and industry. Initially, COVID-19 hit the Texas Panhandle harder than most regions, with infections becoming a widespread issue. The public health risk was critical enough that Phase One of the Governor's Plan to Open Texas was delayed for four counties in the Panhandle (out of five counties statewide that were postponed). The shutdown disrupted regular economic activity, with the average unemployment rate in the Panhandle area rising from 2.5% to 7.8% in June of 2020.

The shutdown, however, did not necessarily mean disruptions that resulted in economic strife. For some communities whose residents normally go to larger cities for shopping, sales tax was up due people shopping locally for goods to reduce the risk of infection. Communities whose economies are tied to large events (i.e. festivals, rodeos, etc.) struggled in 2020 due to having to cancel events or hold them in a reduced capacity. One survey respondent in a community of about 1,000 stated, "The travel restrictions and business closures have devastated businesses, especially small businesses in my community. The limiting of gatherings in our community has had a detrimental effect on our residents. This isolation created depression in many of our citizens."

Communities tied to the oil and gas industry were deeply hurt when oil prices hit an eighteen-year low at the beginning of stay-at-home orders in March 2020. Inversely, demand increased at agricultural processing plants which was deemed essential work as people flocked to grocery stores for supplies. This became problematic when hot spots formed at meatpacking plants in the region resulting in a spike of COVID-19 cases in May 2020. Chart 1.7 shows our survey respondents greatest concerns about the COVID-19 pandemic in 2020 and at the time of the survey (January through March 2021).

Chart 1.7 2021 Texas Panhandle CEDS Survey

What were/are your greatest concerns about the COVID-19 pandemic?



Despite the initial toll of the COVID-19 pandemic, the Texas Panhandle's economic outlook is emerging brighter. In 2020, all but three (3) of the twenty-six counties in the region had an increased unemployment rate, but as of June 2021, none of the Texas Panhandle counties are distressed based on unemployment rate. The region, which was overwhelmed by COVID-19 cases at times in 2020, later led the nation in vaccination rates in January 2021. Though 2020 caused economic hardships, the tenacity and ingenuity of the region enabled it to manage to through the pandemic and are proving key to emerging stronger in 2021.

ACTION PLAN

As a Council of Governments, one of PRPC's most powerful contributions to the region is through connecting people to resources and to one another. Therefore, many of the strategies for accomplishing the objectives in our CEDS Action Plan is through connection.

VISION: Positively affect the quality of life of the region's people by building, growing, and attracting economic activity in the Texas Panhandle region.

Goal 1: Improve or build physical assets and infrastructure in rural communities

- Objective 1.1: Improve general public infrastructure throughout the Texas Panhandle

Strategy: Provide Texas Panhandle communities with information on infrastructure funding opportunities and assist them in pursuing infrastructure grants.

- Stakeholders & Timeline: Panhandle Regional Planning Commission works with all of its cities and counties to assist with infrastructure grants on ongoing basis. PRPC has been involved in the application and administration process of hundreds of infrastructure grants through many different State and Federal entities including but not limited to: Texas Department of Agriculture TxCDBG Program, Texas Department of Transportation; Economic Development Administration and the Texas Water Development Board. PRPC will continue to maintain ties to funding entities to monitor and assist communities in the development of grant applications for the improvement of public infrastructure.

- Objective 1.2: Revitalize or remove dilapidated buildings and reduce absentee ownership in rural communities.

Strategy 1: Share code of ordinances among Texas Panhandle communities so communities can adopt new or updated ordinances to better suit the problems they currently experience with rundown buildings and junk.

- Stakeholders & Timeline: Communities who have recently updated their ordinances may allow for PRPC to disseminate the ordinance to neighboring communities looking to adopt new or updated ordinances on an ongoing basis.

Strategy 2: Evaluate the feasibility of employing a regional code enforcement officer who would be shared by communities.

- Stakeholders & Timeline: Stakeholders would include PRPC and any Panhandle communities interested in contributing funding in order to share the code enforcement officer. The feasibility evaluation would happen in the first and second year, with the potential creation of the position after the initial assessment period. Pursuing the creation of a Regional Code Enforcement Officer would be dependent of the outcome of the feasibility study and the realities associated with the funding and logistics for the creation of such a position.

- Objective 1.3: Attract builders to rural Texas Panhandle communities.

Strategy: Hold a regional networking event for cities, builders, and subcontractors.

- Stakeholders & Timeline: PRPC will host the event with the participation of its cities and people from the regional construction industry. This event will occur in year two or three but may be held in future years based on the feedback from the event and the outcome of connections made at it.

Goal 2: Bolster economic development projects in the region.

- Objective 2.1: Assist Texas Panhandle's communities in their pursuit of attracting new business.

Strategy: Provide knowledge about economic development tools to Texas Panhandle communities and assist them in utilizing those tools to attract business.

- *Stakeholders & Timeline:* PRPC will continue to assist Texas Panhandle communities who are trying to attract a company interested in relocating to the community by utilizing all available resources including sharing demographic information, providing knowledge of incentive programs available to EDCs and assisting with programs or grants that a community may be able to utilize as an economic development tool to attract the company.
- Objective 2.2: Empower the small communities to utilize their economic development tax revenue to take on economic development projects that will benefit their communities.

Strategy: Educate small communities on their economic development tax.

- *Stakeholders & Timeline:* PRPC will put together a one-day training to educate communities who are too small to employ economic development staff on their applicable economic development tax (whether Type A or Type B). City Managers, City Secretaries, and EDC Board members in our small Texas Panhandle communities will be the intended audience with local lawyers who deal in municipal law and EDC Directors of larger regional cities serving as speakers at the training sessions. This training will occur in year one but may be held in future years based on the feedback from the training.

Goal 3: Slow outmigration from small Texas Panhandle communities.

- Objective 3.1: Invest in growing leadership in small communities.
- Strategy 1: Hold a regional training on how to start a community leadership program.
 - *Stakeholders & Timeline:* Several Chambers of Commerce or other community organizations in Amarillo and micropolitan cities hold annual community leadership programs which take a cohort through an eight to nine-month class to develop leadership skills and gain a better understanding of assets and opportunities in their communities. Current programs include Leadership Amarillo & Canyon, Leadership Perryton, Leadership Hereford, and Leadership Borger. PRPC plans to host a regionwide training on how to start a Community Leadership Program with sessions taught by the people who facilitate the existing programs in the region in order to plant some community leadership programs in some of our mid-sized and small communities in order to build their pipelines of leadership.

- Strategy 2: Ensure small business continuity in small Texas Panhandle towns by connecting near-retirement business owners with local entrepreneurs
 - *Stakeholders & Timeline*: PRPC will connect the EDCs in the Texas Panhandle to a small business transition specialist(s) through an Economic Development Advisory Committee meeting or other training in the second or third year of the CEDS cycle, so EDC directors can get the contacts and knowledge to assist in the transfer of local businesses from one generation to the next.

EVALUATION FRAMEWORK

Our annual update to the CEDS is our opportunity to measure the success of the initiatives from the Action Plan and recalibrate as economic conditions require the plan to adapt. PRPC will measure the metrics associated with each Action Plan objective and rate the year-over-year progress of that objective as positive, neutral, or negative in addition to tracking the regional success (EDA distress) metrics. Positive progress made at the community level across the Texas Panhandle, should in time positively affect the regional economic outlook.

Community-Level Measures of Success

Determining the achievement of CEDS objectives will come primarily through tracking community-level data including the number of new jobs, housing units, economic development projects, leadership program graduates, etc.

Regional Measures of Success

The achievement of an objective is unlikely to independently move regional statistics. However, multiple community-level successes can cause the desired regional successes measured by increases in per capita money income and per capita personal income so our region's number of distressed counties decreases.

Objective	Metrics for Community Success	Metrics for Regional Success
Objective 1.1 – Improve general infrastructure throughout the Texas Panhandle	Number of New Infrastructure Projects, Number of Infrastructure Failure Incidents, and Number of TCEQ Violations	Per Capita Money Income
Objective 1.2 – Revitalize or remove dilapidated buildings and reduce absentee ownership in rural communities	Number of Cities with Ordinance Updates, Number of Retail Spaces that Become Available, Number of Beautification Programs	
Objective 1.3 – Attract builders to rural Texas Panhandle communities	Number of New Houses	Per Capita Personal Income

Objective 2.1 – Assist Teas Panhandle’s communities in their pursuit off attracting new business	Number of New Businesses, Number of New Jobs	Unemployment Rate
Objective 2.2 – Empower the small communities in the region to utilize their economic development tax revenue to take on economic development projects that will benefit their communities	Number of New EDC Projects & Programs, Number of New Economic Development Corporations in the Region	Number of Distressed Counties in the Texas Panhandle
Objective 3.1 – Invest in growing leadership in small communities	Number of New Leadership Programs, Number of Leadership Program Graduates, Number of Successful Small Business Ownership Transitions	

ECONOMIC RESILIENCE

PRPC has traditionally taken a steady-state approach to economic resilience through its coordination of a wide variety of regional plans and in its work with regional partners on EDA projects which promote economic diversity. Through the eight strategies outlined in the CEDS Action Plan, PRPC will be working over the next five years to expand its steady-state approach. Additionally, building relationships among the Economic Development Advisory Committee (EDAC) and holding quarterly meetings of the body is the primary information network of PRPC as the Economic Development District. The committee is comprised of EDC and Chamber of Commerce Directors, City Managers and City Secretaries, and EDC Members representing every county in the Texas Panhandle. Through the reports each member presents at the meetings, the rest of the body and the Economic Development District are made aware of the positive progress in communities as well as the threats on the horizon. As a Council of Governments, PRPC is also well-suited for bringing other regional stakeholders to the table when a threat is imminent to the economy of a community or the entire region.

The foundation of regionalism in the Texas Panhandle makes the area better poised to enact both steady-state and responsive economic resilience tactics. Regionalism is part of the fabric of the Texas Panhandle and communities often work together to address their shared challenges, capitalize on opportunities, and weather hard times. When asked about their community’s responsibility to neighboring cities, respondents believed they had a duty to their neighbors and vice versa. One survey respondent in a micropolitan city said, “It is our responsibility to collaborate with one another, regardless of size. We should be willing to help each other with business attraction to the region – and I think we often do a good job of that.” Another leader in a community of about 500 stated, “We cooperate closely with out two neighboring cities to provide services such as home meal delivery, fire protection, EMS services, other emergencies within the cities and rural areas. This enhances these services while reducing cost to each individual entity. We also strive to cooperatively increase tourism in our area.”