



DEEP EAST TEXAS COUNCIL OF  
GOVERNMENTS AND ECONOMIC  
DEVELOPMENT DISTRICT

# COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

## 2026-2030

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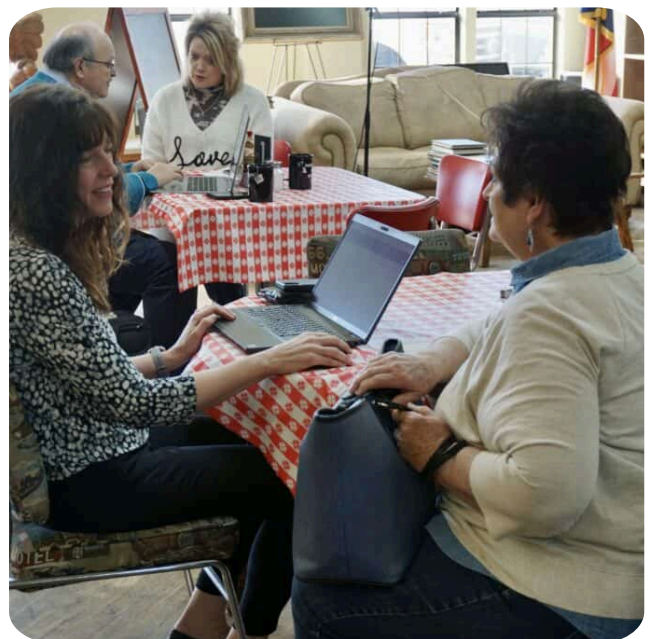
# CEDS Development Process: Public Participation

The 2026–2030 Comprehensive Economic Development Strategy for Deep East Texas is the product of months of conversations, evaluations, and collaboration with the people who live and work in our communities. Public participation was central to the development of this CEDS, and the process was designed to ensure input from a broad range of stakeholders across the region. We began by sitting down one-on-one with leaders from cities of every size across the 11-county region from our smallest rural towns to our larger population centers. We also engaged with a regional partners network that shares the same goals for economic development and service areas. These discussions helped us understand both the unique challenges and the shared opportunities that define economic growth in Deep East Texas.

Recognizing that infrastructure is the foundation of any thriving economy, we conducted evaluations of local water systems to better understand capacity, reliability, and the role these assets play in business recruitment and retention. The findings from these assessments shaped our understanding of where targeted investments could unlock new growth.

Our outreach extended beyond local governments. We met directly with members of the DETCOG Economic Development Committee, city managers, chambers of commerce, and small business owners to hear firsthand what is working, what is holding communities back, and where regional cooperation could make the greatest impact. Once a draft strategy was developed, it was brought before the full Economic Development Committee for review. Their feedback led to refinements that strengthened the plan's goals and strategies. The final version was then presented to the DETCOG Board of Directors on September 25, 2025, whose approval signaled broad regional consensus and commitment to moving forward together.

This process ensured that the CEDS is more than just a document, it is a reflection of the priorities, insights, and aspirations of the people of Deep East Texas, built with the belief that our region's economic future depends on collaboration, strategic investment, and a shared vision.



# Introduction

A Comprehensive Economic Development Strategy (CEDS) is a document designed to foster collaboration between the public and private sectors to strengthen the resilience and overall health of the local economy. The CEDS analyzes the economic conditions of the DETCOG region and serves as a strategic roadmap to guide regional goals, investment priorities, and development efforts.

The CEDS is intended to maximize the region's unique assets while addressing its key challenges, ensuring inclusive growth and long-term prosperity. It also provides a clear framework for measuring progress and tracking the region's economic success over time.

This document is required by the U.S. Economic Development Administration (EDA) to define the priorities of Planning and Development Districts across the country. For the Deep East Texas Council of Governments (DETCOG) and its CEDS Strategy Committee, this strategy offers a foundation for aligning local and regional initiatives, identifying critical projects, and responding to emerging opportunities.

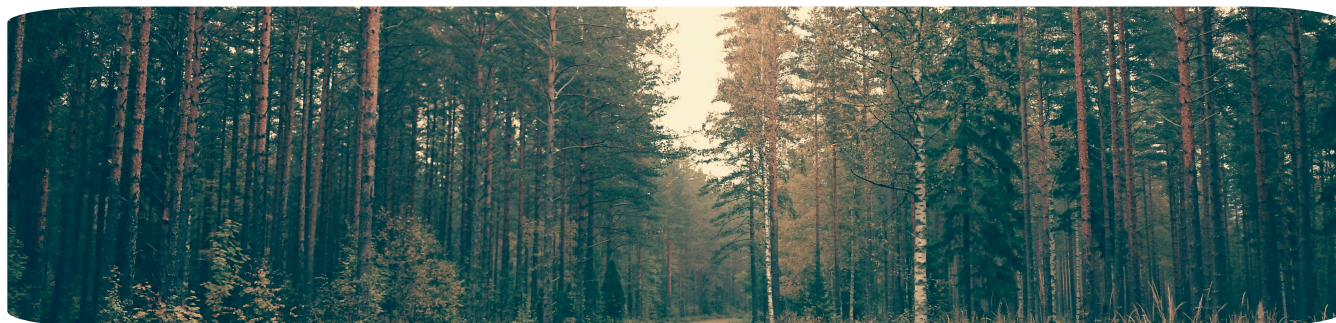
The CEDS is not a stand-alone plan, it is one of many tools used to support economic development across the 11-county DETCOG region, integrating with local plans, funding strategies, and partnerships to advance the region's future.



# Regional Summary

Deep East Texas is home to just over 368,000 residents, according to the 2023 ACS 5-Year Estimates. While that figure represents only about 1.2 percent of Texas's total population, the region's size, diversity, and geographic reach make it a critical player in the state's rural economy. With roughly 39 people per square mile, population density here is far below both the Texas average of 119 and the national average of 94, underscoring the predominantly rural character of the area.

Economic conditions present a complex picture. The region's median household income averages \$55,140, more than \$20,000 below the state median of \$75,780 and the national median of \$74,755 (ACS 2023). Poverty affects nearly one in five residents, a rate of 19.5 percent, compared to 14.2 percent in Texas and 12.6 percent nationally (ACS 2023). The median age in the region is 42.5 years, older than both the Texas median of 35.5 and the national median of 38.9 (ACS 2023), reflecting the dual reality of outmigration among younger workers in some areas and the attraction of the region as a retirement destination in others.



**Table 1: Key Regional Demographics – Deep East Texas (2023)**

| Indicator                        | DETCOG Region | Texas      | United States |
|----------------------------------|---------------|------------|---------------|
| Population                       | 368,260       | 30,500,000 | 334,900,000   |
| Population Density (per sq. mi.) | 39            | 119        | 94            |
| Median Household Income          | \$55,140      | \$75,780   | \$74,755      |
| Poverty Rate                     | 19.5%         | 14.2%      | 12.6%         |
| Median Age                       | 42.5          | 35.5       | 38.9          |
| High School Graduate or Higher   | 82.6%         | 85.8%      | 89.1%         |
| Bachelor's Degree or Higher      | 19.4%         | 32.2%      | 34.3%         |

These figures reveal the challenge facing Deep East Texas: how to retain and attract working-age residents, raise incomes, and reduce poverty while preserving the rural quality of life that defines the region. Growth is uneven, with some counties expanding quickly while others struggle with population loss. Polk and San Jacinto counties are emerging as growth corridors, attracting new residents from the Houston metropolitan area. By contrast, Newton, San Augustine, and Houston counties have seen modest declines or stagnation. Angelina and Nacogdoches counties remain the region's economic anchors, home to higher education institutions, hospitals, and a more diversified mix of industries.

From 2013 to 2023, the region's population grew by just 1.7 percent, compared to 15.6 percent statewide (ACS 2013–2023). This modest growth underscores the urgency of targeted economic development strategies, particularly those aimed at keeping younger residents engaged in the regional economy.



# Population Profile



While the overall numbers help define the region, the real story lies in the differences between counties. Angelina County, the largest with nearly 87,000 residents, has a median household income of \$58,847 and a median age of 37.8, making it one of the younger counties in Deep East Texas. Its role as a manufacturing, healthcare, and education hub draws people from surrounding rural areas for jobs and services. Nacogdoches County, home to Stephen F. Austin State University, has the youngest median age in the region at just 31.9 and benefits from a steady influx of students, faculty, and staff.

Growth corridors like Polk and San Jacinto are experiencing in-migration from the Houston area, with populations rising 3.5 percent and 4.2 percent respectively over the last five years. This growth brings opportunities for expanded retail, housing, and services, but also requires investment in infrastructure to keep pace. By contrast, Newton County, with a median household income of \$41,044 and a median age of 48.9, faces the dual challenge of an aging population and limited economic diversification. Sabine County has the highest median household income in the region at \$59,924, but also the oldest median age at 54.3, underscoring its identity as a retirement destination near Toledo Bend Reservoir. San Augustine County's population of 7,824 is small and declining slightly, with a median income of \$43,672 and a poverty rate exceeding 25 percent.

**Table 2: Population & Income by County – Deep East Texas (2023)**

| County        | Population | 5-Year % Change | Median Age | Median Household Income |
|---------------|------------|-----------------|------------|-------------------------|
| Angelina      | 86,795     | +0.3%           | 37.8       | \$58,847                |
| Houston       | 22,017     | -1.4%           | 44.5       | \$52,310                |
| Nacogdoches   | 64,911     | +0.6%           | 31.9       | \$51,528                |
| Newton        | 13,980     | -1.7%           | 48.9       | \$41,044                |
| Polk          | 53,570     | +3.5%           | 45.4       | \$57,221                |
| Sabine        | 9,691      | +0.9%           | 54.3       | \$59,924                |
| San Augustine | 7,824      | -0.4%           | 50.8       | \$43,672                |
| San Jacinto   | 30,121     | +4.2%           | 46.1       | \$58,902                |
| Shelby        | 24,579     | -0.8%           | 41.6       | \$54,312                |
| Trinity       | 13,965     | -0.2%           | 46.9       | \$52,782                |
| Tyler         | 20,807     | +0.7%           | 46.8       | \$53,119                |

Looking across these counties, the disparities are clear. The youngest counties, Nacogdoches and Angelina, are positioned to provide much of the region's future workforce, while the oldest, Sabine, San Augustine, and Trinity, will see increased demand for healthcare and senior services. Counties like Polk and San Jacinto offer a stronger tax base for public investment, while Sabine's high median household income reflects its appeal as a retirement destination rather than a large or diversified economic base. Whereas lower-income counties face fiscal constraints that limit their ability to fund infrastructure or economic development initiatives without outside support.

The population data makes one point clear: economic development in Deep East Texas cannot be a one-size-fits-all approach. Strategies must be tailored to each county's realities, focusing growth investments where population and market demand are rising, while designing retention, service expansion, and revitalization programs for areas facing decline or stagnation.

# Housing

Housing in Deep East Texas reflects the region's rural identity, long-standing patterns of homeownership, and the growing pressures of demographic change. In much of the region, single-family detached homes on large lots remain the norm, and homeownership is part of the local culture. According to the 2023 ACS 5-Year Estimates, 73.4 percent of all occupied housing units in the region are owner-occupied well above the Texas average of 61.9 percent and the U.S. average of 64.0 percent. This preference is especially pronounced in rural counties where land is plentiful, housing turnover is low, and multi-family developments are rare.

Yet, beneath this high homeownership rate, the housing market reveals notable disparities between counties and a set of emerging challenges that carry significant implications for economic development. Counties such as Sabine, Newton, and Tyler have ownership rates exceeding 85 percent, driven in part by older populations who have long since paid off their homes. By contrast, Angelina and Nacogdoches, home to a university, community college, hospitals, and larger rental markets, show significantly higher renter occupancy, with 29.2 percent and 34.7 percent of their housing units rented, respectively (ACS 2023).

**Table 3: Housing Occupancy & Tenure – Deep East Texas (2023)**

| County        | Owner-Occupied (%) | Renter-Occupied (%) | Median Home Value | Median Gross Rent |
|---------------|--------------------|---------------------|-------------------|-------------------|
| Angelina      | 70.8%              | 29.2%               | \$153,100         | \$889             |
| Houston       | 81.1%              | 18.9%               | \$128,300         | \$773             |
| Nacogdoches   | 65.3%              | 34.7%               | \$155,800         | \$916             |
| Newton        | 86.9%              | 13.1%               | \$97,400          | \$672             |
| Polk          | 80.2%              | 19.8%               | \$167,500         | \$915             |
| Sabine        | 87.6%              | 12.4%               | \$146,500         | \$801             |
| San Augustine | 82.8%              | 17.2%               | \$109,700         | \$742             |
| San Jacinto   | 79.4%              | 20.6%               | \$172,800         | \$935             |
| Shelby        | 78.2%              | 21.8%               | \$123,900         | \$745             |
| Trinity       | 83.5%              | 16.5%               | \$139,000         | \$858             |
| Tyler         | 85.7%              | 14.3%               | \$120,200         | \$774             |



## Affordability and Value Trends

While median home values in most counties remain well below the Texas median of \$237,400 (ACS 2023), affordability is not a uniform advantage. Lower home prices in rural counties often come with trade-offs aging housing stock, higher repair costs, limited access to mortgage financing, and fewer amenities. In counties like Newton and San Augustine, median home values under \$110,000 suggest affordability on paper, but local incomes are also among the lowest in the region, meaning cost burdens can still be significant.

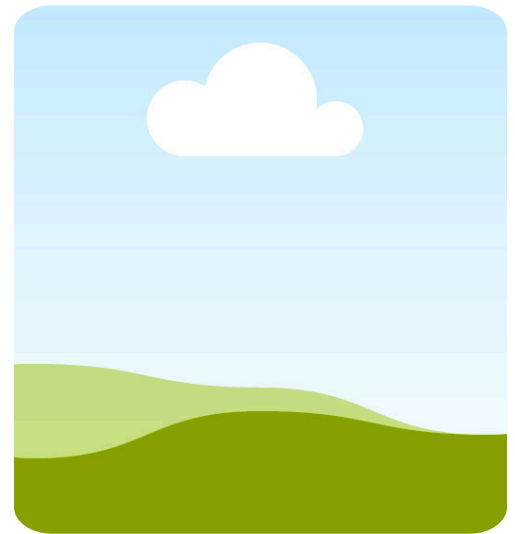
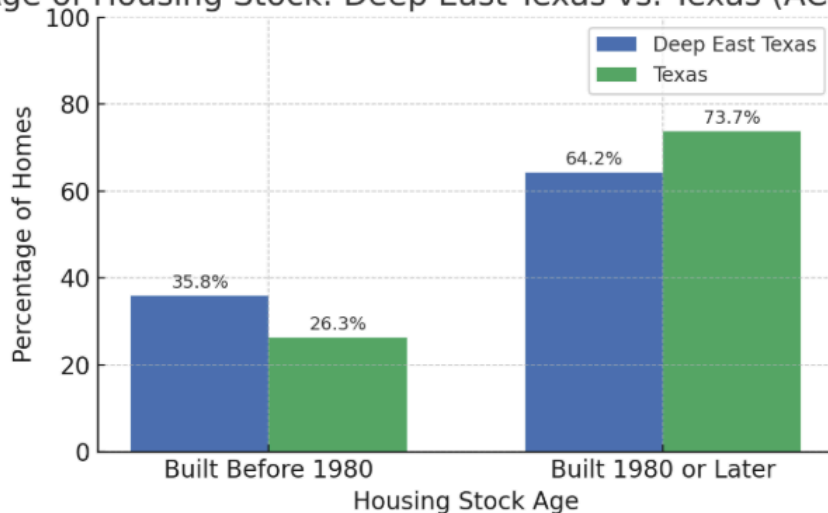
On the rental side, gross rents are well below the Texas median of \$1,300, but the supply of quality rental housing is extremely limited in most counties. Angelina and Nacogdoches have the largest rental markets, but even here, aging apartment complexes and rising rents are beginning to strain low-income tenants. In smaller counties, rental options are so scarce that new teachers, healthcare workers, and law enforcement officers often face long commutes simply to find housing that meets their needs.

# Housing Continued

## Housing Quality and Age of Stock

The region's housing stock is older than the Texas average. In Deep East Texas, 35.8 percent of homes were built before 1980, compared to 26.3 percent statewide (ACS 2023). This older housing often requires significant investment in repairs, energy efficiency upgrades, and accessibility modifications to meet modern standards. These needs intersect with EDA priorities for resilience and sustainability, as energy-efficient retrofits and storm-hardened construction can directly improve both household cost burdens and disaster readiness.

Age of Housing Stock: Deep East Texas vs. Texas (ACS 2023)



## Implications for Economic Development

Housing availability and quality are foundational to economic growth. Employers considering relocation or expansion in Deep East Texas will look not only at workforce availability but also at whether that workforce has access to adequate housing. In growth corridors like Polk and San Jacinto counties, rapid in-migration will demand new subdivisions, multi-family developments, and mixed-use projects. In slower-growth or declining counties, strategies may need to focus on rehabilitation, adaptive reuse of vacant structures, and incentives for infill development.

High ownership rates in rural counties can be an advantage for community stability, but they also present a challenge: a less mobile housing market can make it harder for new residents to find homes. Likewise, a shortage of rental units limits flexibility for seasonal workers, new graduates, and other mobile populations. Addressing these issues will require coordinated planning between counties, municipalities, housing authorities, and private developers, supported by targeted use of CDBG, USDA Rural Development, and other funding sources.



# Education

Education in Deep East Texas is both a cornerstone of community life and a decisive factor in shaping the region’s future workforce. The region’s education system spans 36 independent school districts (ISDs), a network of private and faith-based schools, and two major higher education anchors Stephen F. Austin State University (SFASU) in Nacogdoches and Angelina College in Lufkin. Together, these institutions serve more than 65,000 students across the region (Texas Education Agency, 2024) and play an outsized role in economic stability, talent retention, and community development.

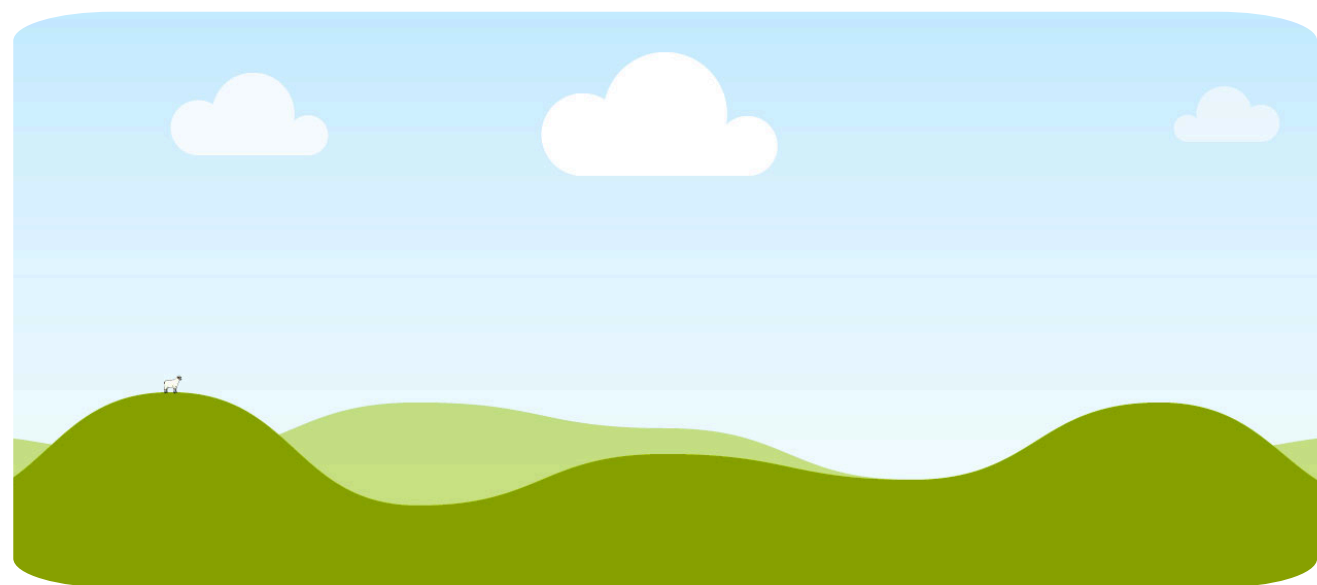
In rural East Texas, schools are more than places of learning they are often the primary gathering spaces for civic engagement, cultural events, and community support. In some counties, the ISD is also the single largest employer, directly linking the quality of local education to the health of the local economy.

## Educational Attainment

While high school graduation rates in many districts are strong, the region faces persistent challenges in post-secondary attainment. According to the 2023 ACS 5-Year Estimates, 82.6 percent of adults age 25 and older in the DETCOG region have earned at least a high school diploma, compared to 85.8 percent statewide and 89.1 percent nationally. However, only 19.4 percent hold a bachelor’s degree or higher significantly below Texas’s 32.2 percent and the national rate of 34.3 percent.

Table 4: Educational Attainment – Population Age 25+ (2023)

| Level of Education                       | DETCOG Region | Texas | United States |
|------------------------------------------|---------------|-------|---------------|
| Less than High School                    | 17.4%         | 14.2% | 11.0%         |
| High School Graduate (incl. equivalency) | 35.4%         | 24.5% | 25.6%         |
| Some College or Associate Degree         | 27.8%         | 29.1% | 29.1%         |
| Bachelor’s Degree or Higher              | 19.4%         | 32.2% | 34.3%         |





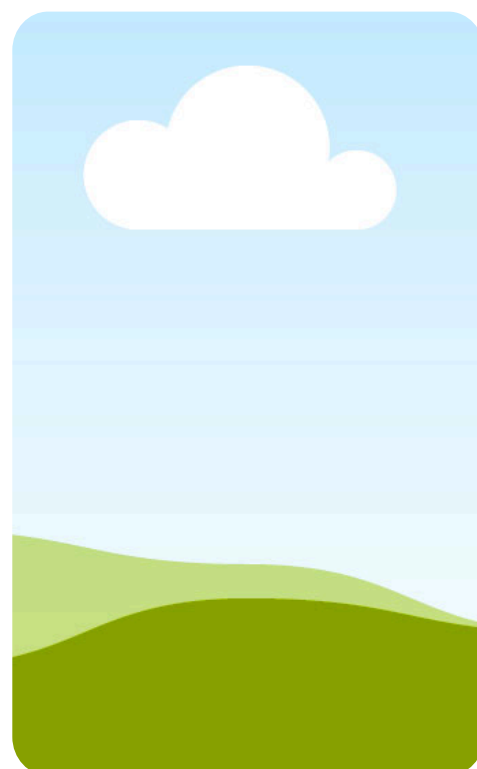
# Education Continued

## School Enrollment Patterns

School enrollment data reveals where the region's student populations are concentrated and helps target resources effectively. The largest enrollments are in Angelina and Nacogdoches counties, which together account for more than 41,000 students over 60 percent of the region's total. Nacogdoches's enrollment is boosted by SFASU's student body, while Angelina's is more balanced between K–12 and post-secondary due to the presence of Angelina College and multiple large ISDs.

Table 5: School Enrollment by County – Age 3+ (2023)

| County        | Total Enrollment | Pre-K & Kindergarten | Grades 1–8 | Grades 9–12 | College/Graduate School |
|---------------|------------------|----------------------|------------|-------------|-------------------------|
| Angelina      | 20,458           | 2,013                | 9,969      | 4,974       | 3,502                   |
| Houston       | 4,946            | 446                  | 2,278      | 1,035       | 1,187                   |
| Nacogdoches   | 20,623           | 1,984                | 7,269      | 3,321       | 8,049                   |
| Newton        | 2,339            | 192                  | 1,097      | 474         | 576                     |
| Polk          | 9,996            | 902                  | 4,722      | 2,325       | 2,047                   |
| Sabine        | 2,031            | 165                  | 1,008      | 413         | 445                     |
| San Augustine | 1,302            | 108                  | 612        | 268         | 314                     |
| San Jacinto   | 4,726            | 421                  | 2,226      | 956         | 1,123                   |
| Shelby        | 5,117            | 472                  | 2,437      | 987         | 1,221                   |
| Trinity       | 2,066            | 181                  | 962        | 397         | 526                     |
| Tyler         | 2,707            | 229                  | 1,362      | 547         | 569                     |



These numbers highlight stark contrasts. Smaller counties like San Augustine, Trinity, and Newton each serve fewer than 2,400 students total, which limits course offerings, extracurricular activities, and specialized programming. In these areas, regional collaboration such as shared services, distance learning, and teacher exchange programs can help maintain educational quality.

# Education Continued

## K-12 Innovations

Innovative programs are emerging to address these challenges. The **Partners for Rural Impact (PRI)** initiative, supported by the T.L.L. Temple Foundation, has brought a “cradle-to-career” model to districts like Diboll ISD and West Sabine ISD, integrating early learning, K-12 education, post-secondary pathways, and wraparound services. These schools are functioning as community hubs, offering after-school programs, family engagement, AmeriCorps support, and even mental health resources on campus. The **Deep East Texas College & Career Alliance (DETCCA)** is a partnership of six public school districts and four institutions of higher education serving the Deep East Texas region. Through this collaboration, more than 7,000 students have access to college credits and stackable credentials. **Workforce Solutions Deep East Texas (WSDET)** has brought together regional stakeholders and educational institutions to create a strategic plan for expanding work-based learning opportunities and educational pathways. A key objective of this effort is to establish training facilities that strengthen workforce readiness skills.

## Implications for Economic Development

From an EDA perspective, education in Deep East Texas is both a competitive advantage and a strategic priority area. The region’s high school graduation rates and strong community college presence provide a foundation for workforce development, but low bachelor’s degree attainment and geographic barriers to higher education limit the region’s ability to compete for high-skill, high-wage industries.

To bridge this gap, strategies should focus on:

- Expanding dual-credit and CTE programs aligned with local industry clusters.
- Strengthening school-to-career pipelines through apprenticeships, internships, and work-based learning.
- Leveraging broadband expansion to enable virtual instruction and remote degree completion.
- Incentivizing graduates to remain in the region by connecting them with local employers before they leave school.

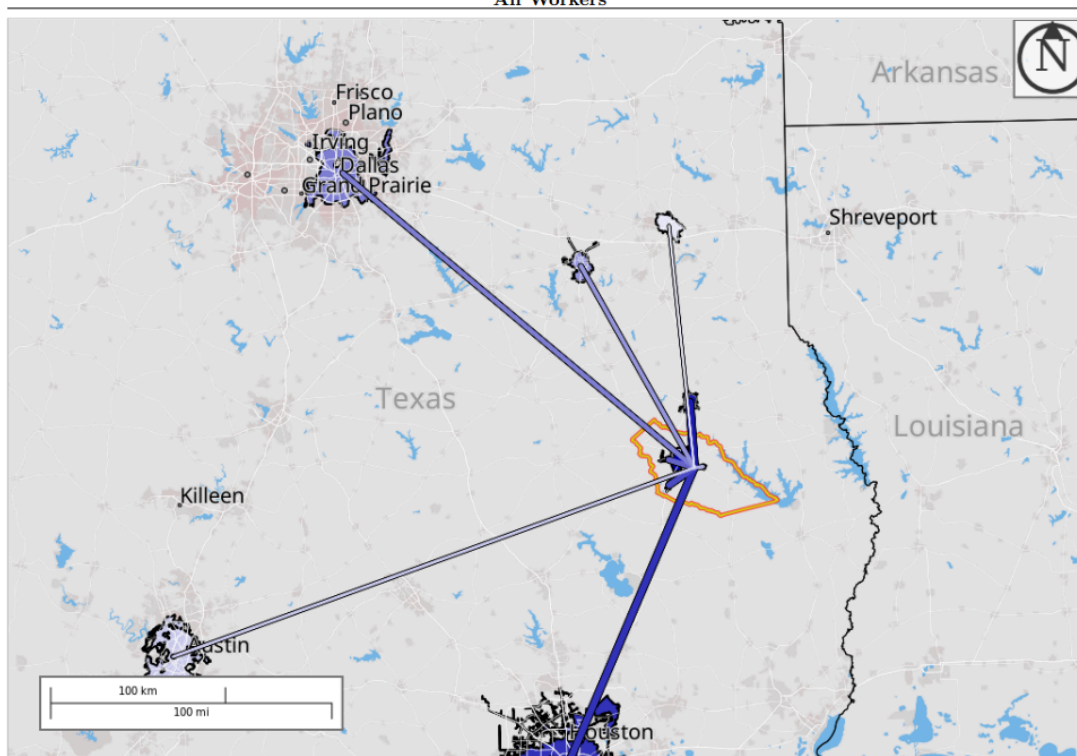


# Workforce Migration

## Migration

Workforce migration patterns in the DETCOG region show that, while many residents work within the region, a significant portion commute to major metropolitan areas such as Houston, Dallas–Fort Worth, and Austin. This trend reflects the strong economic pull of larger urban job markets and the role of regional transportation links in connecting workers to employment opportunities. For the CEDS, these patterns highlight the need to strengthen local job creation efforts while maintaining and improving connectivity to outside markets that provide critical income for the region’s economy.

Counts of All Jobs from Home Selection Area to Work Places (Cities, CDPs, etc.) in 2022  
All Workers



### Map Legend

#### Job Count

- 14,279
- 1,877
- 1,780
- 1,131
- 995
- 548
- 462
- 420
- 388
- 243

#### Selection Areas

- ▮ Home Area

#### Job Count

- ▮ 14,279
- ▮ 1,877
- ▮ 1,780
- ▮ 1,131
- ▮ 995
- ▮ 548
- ▮ 462
- ▮ 420
- ▮ 388
- ▮ 243

# Economy

The economy of Deep East Texas is shaped by its rural character, abundant natural resources, and the steady presence of institutional anchors like higher education, healthcare, and local government. While the region has weathered significant industrial shifts over the past two decades, particularly in the timber and paper sectors, it continues to rely on a mix of traditional industries and emerging opportunities in manufacturing, logistics, and recreation-based tourism.

## Regional GDP and Economic Scale

According to the Bureau of Economic Analysis (BEA), the 11-county DETCOG region produced an estimated Gross Domestic Product (GDP) of \$12.3 billion in 2022. The largest contributors to regional GDP were manufacturing (19%), healthcare and social assistance (14%), retail trade (10%), and forestry, fishing, and related activities (8%). Although the GDP growth rate between 2017 and 2022 averaged just under 1% annually, slower than Texas's 3% the region has shown resilience by stabilizing after periods of industry contraction.

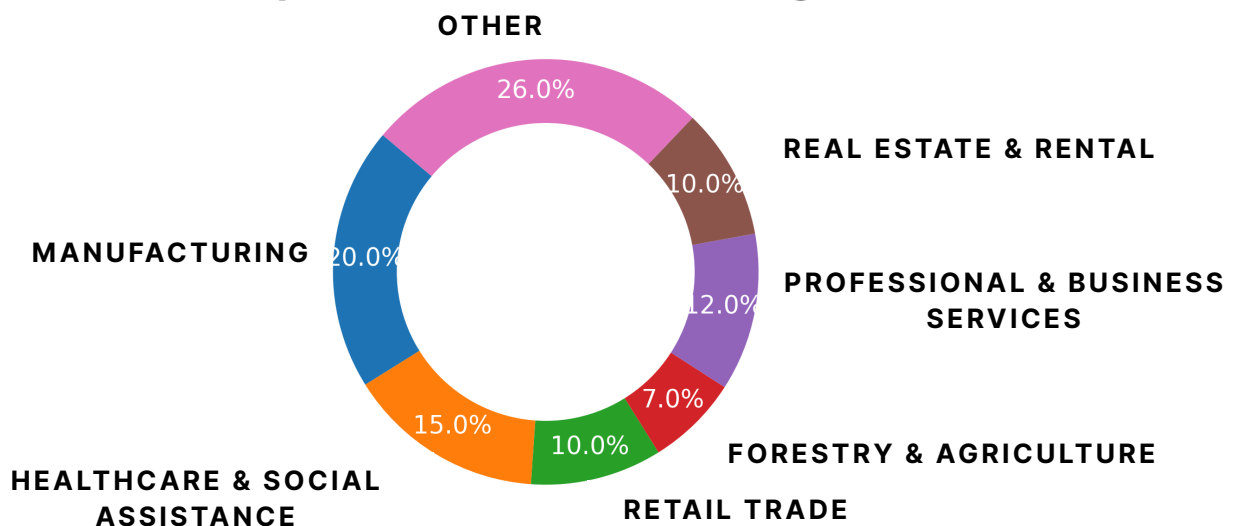
## Employment and Labor Force

The regional labor force totals approximately 139,800 people (TWC, 2024), with an overall labor force participation rate of 54.7%, well below the Texas average of 64.3% (ACS 2023). This gap is partly attributable to the region's older population, but also reflects limited job opportunities in certain counties, discouraging younger workers from staying.

Unemployment in 2023 averaged 5.2%, higher than the Texas rate of 4.1% (TWC, 2024).

Counties such as Newton and San Augustine consistently post the highest unemployment rates, while Polk and Angelina maintain lower-than-average rates due to more diverse employment bases.

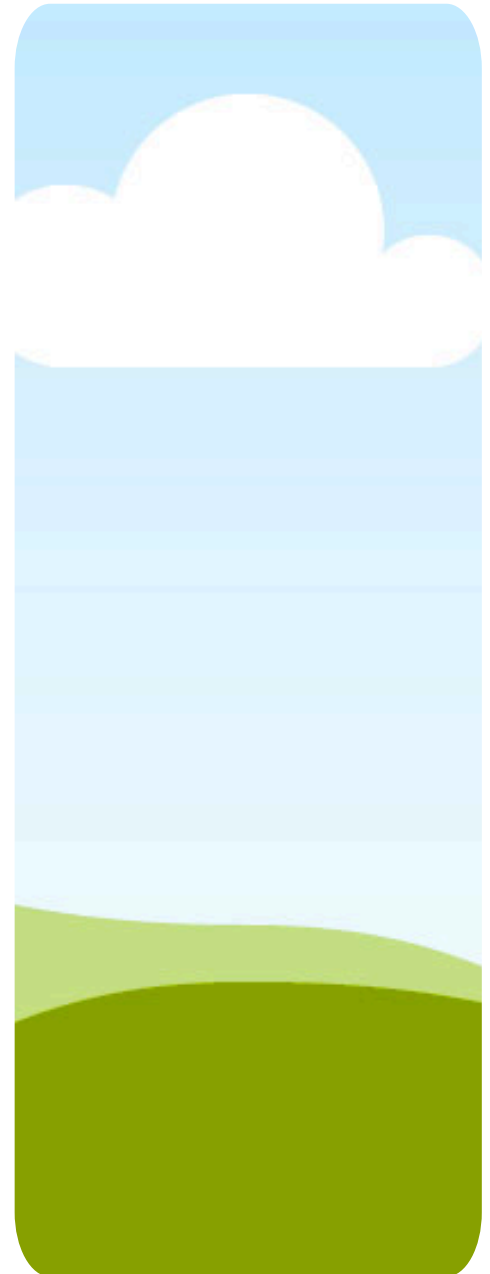
## Estimated 2024 GDP Composition by Sector Deep East Texas (DETCOG Region)



# Economy Continued

**Table 6: Labor Force and Unemployment by County (2023)**

| County        | Labor Force | Employment | Unemployment Rate |
|---------------|-------------|------------|-------------------|
| Angelina      | 37,815      | 36,015     | 4.8%              |
| Houston       | 7,780       | 7,340      | 5.7%              |
| Nacogdoches   | 29,905      | 28,610     | 4.3%              |
| Newton        | 4,515       | 4,205      | 6.9%              |
| Polk          | 18,745      | 17,915     | 4.4%              |
| Sabine        | 3,325       | 3,140      | 5.6%              |
| San Augustine | 2,995       | 2,775      | 7.3%              |
| San Jacinto   | 11,475      | 10,955     | 4.5%              |
| Shelby        | 10,320      | 9,740      | 5.6%              |
| Trinity       | 4,605       | 4,345      | 5.7%              |
| Tyler         | 8,325       | 7,900      | 5.1%              |





# Industry Structure

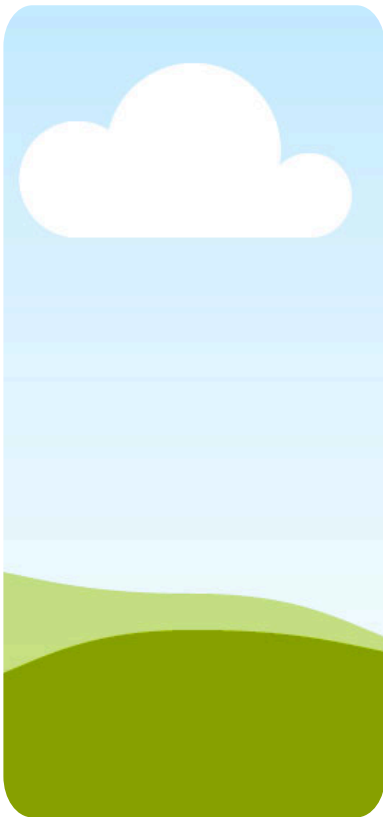
Manufacturing remains a core part of the regional economy, employing approximately 11,400 people (ACS 2023). Much of this activity is tied to forest products, lumber mills, plywood production, engineered wood products, and paper manufacturing, alongside metal fabrication, food processing, and plastics manufacturing.

Healthcare and social assistance employ more than 17,800 residents region-wide, making it the single largest sector by employment. Hospitals, clinics, nursing facilities, and home health services are particularly important in rural counties with aging populations. Retail trade follows closely, providing over 14,000 jobs, concentrated in commercial hubs like Lufkin and Nacogdoches.

Public sector employment, as commonly reported in ACS and BEA data, often combines several unrelated functions, administrative government, public safety, public education, social services, and corrections, into a single “government” category. This can overstate the size of “government” in the sense of administrative employment. To provide a clearer picture, the table below separates core public administration from other publicly funded employment categories.

Table 7: Top Employment Sectors – DETCOG Region (2023)

| Industry Sector                         | Employment | Share of Total Jobs | Notes on Category                                 |
|-----------------------------------------|------------|---------------------|---------------------------------------------------|
| Healthcare & Social Assistance          | 17,825     | 12.7%               | Hospitals, clinics, nursing, home health          |
| Manufacturing                           | 11,412     | 8.1%                | Wood products, metal fabrication, food processing |
| Retail Trade                            | 14,076     | 10.0%               | Includes groceries, general merchandise           |
| Educational Services (Public + Private) | 10,535     | 7.5%                | K-12, higher ed                                   |
| Accommodation & Food Services           | 10,095     | 7.2%                | Restaurants, lodging                              |
| Construction                            | 8,240      | 5.9%                | Residential, commercial, infrastructure           |
| Public Administration (Core Government) | 4,125      | 2.9%                | Admin, public works, public safety                |
| Corrections (Public Safety & Prisons)   | 2,240      | 1.6%                | State prisons, county jails                       |



By separating out public education and corrections from “core government,” we see that actual administrative government employment is closer to 2.9% of the regional workforce. Not the 5–6% suggested by generalized ACS “public administration” reporting. This distinction helps clarify the true scale of administrative government versus other public sector roles.

# Regional Trends

## **Wages and Income**

Average annual wages in Deep East Texas remain substantially below state averages. According to the Quarterly Census of Employment and Wages (QCEW), the regional average annual wage in 2023 was \$45,820, compared to \$70,510 statewide. Higher-wage sectors such as manufacturing (\$61,400), utilities (\$78,200), and professional services (\$69,800) are underrepresented in the employment mix, while lower-paying sectors like retail, hospitality, and certain health services make up a larger share.

This wage gap contributes to the region's persistent poverty rate of 19.5% and limits household spending power, which in turn constrains growth in consumer-oriented businesses.

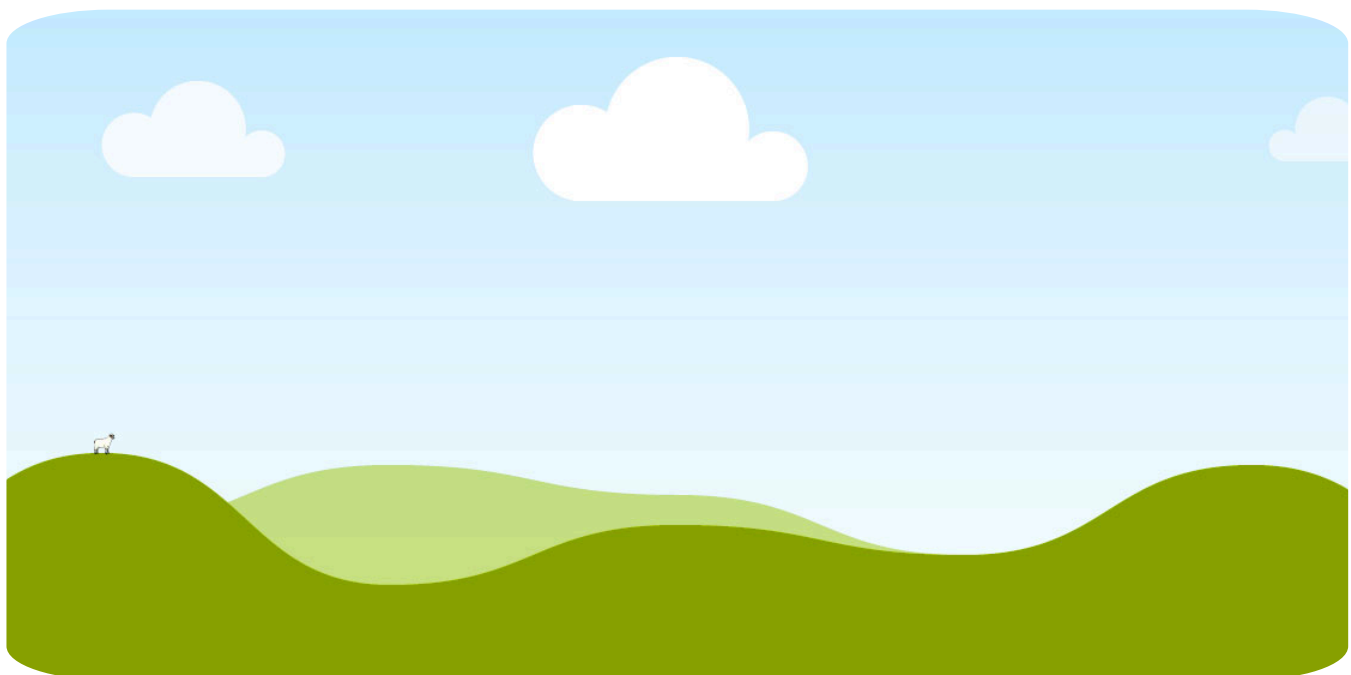
## **Economic Trends and Competitiveness**

Data from StatsAmerica's Innovation Index shows the region scoring below both state and national averages in measures of human capital, business dynamics, and economic vitality. However, the region performs comparatively well in measures of natural amenities and industry specialization, particularly in wood products, energy, and agriculture.

The manufacturing sector is undergoing a quiet transformation, with increased adoption of automation and engineered wood technologies. This creates opportunities for higher-wage technical jobs, but also demands a workforce with stronger STEM and industrial maintenance skills, linking back to the education and training strategies outlined in the previous section.

Healthcare demand is expected to grow steadily due to the region's aging population, which will expand employment in nursing, allied health, and home-based care. Additionally, the region's proximity to major interstate corridors (I-69 and I-14) positions it for growth in logistics and warehousing, especially if broadband and infrastructure improvements keep pace.

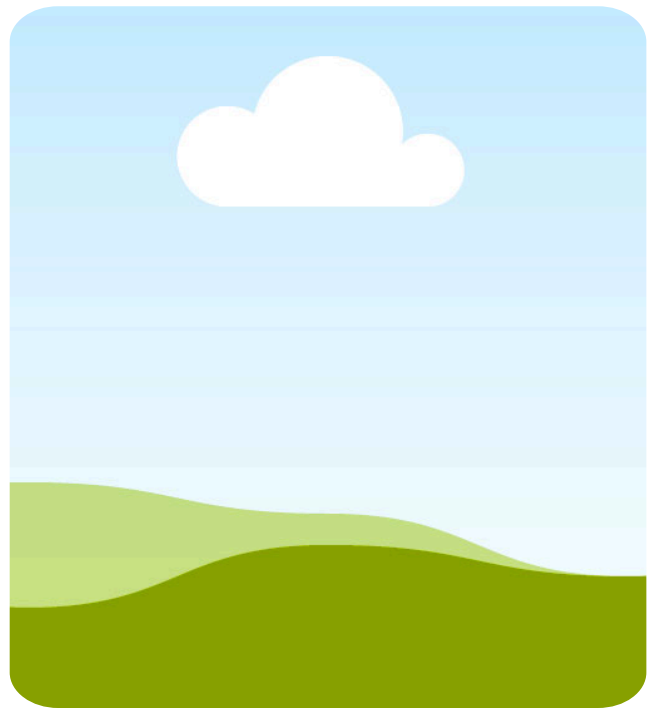
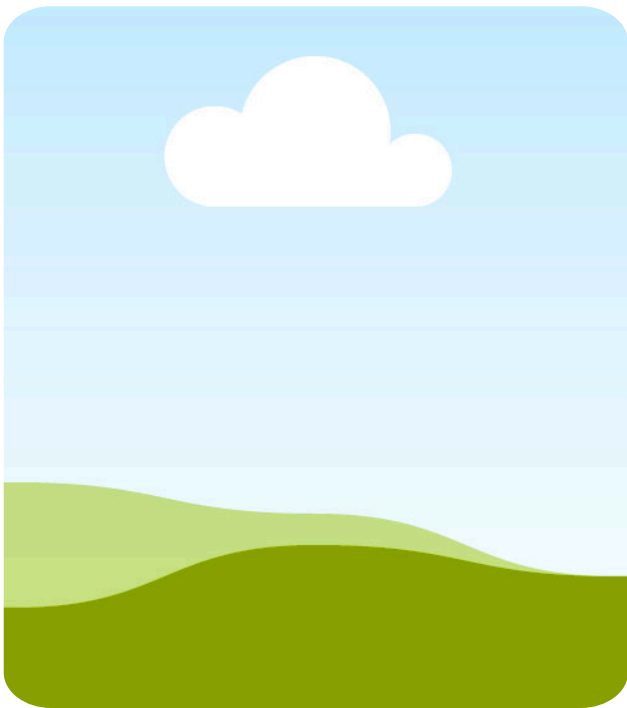
Implications for the CEDS



# Resilient Communities:

## What Deep East Texas Has Endured and How We're Building Back Stronger

Deep East Texas knows disaster by name. Rita snapped our forests and power lines in 2005, Ike marched through in 2008, Harvey drenched our roads and homes in 2017, Imelda stalled over us in 2019, and Laura's winds ripped across our pine canopy in 2020. We froze through Winter Storm Uri in 2021, slogged through months of severe storms and flood waves in spring 2024, and then held on as Beryl cut a swath through our counties that July. Each time, our communities moved fast, neighbors first, then counties, then the region, stitching together response, recovery, and smarter mitigation so the next hit hurts less and the bounce-back is faster.



By aligning recovery investments with long-term economic development strategies, the region is using each challenge as a catalyst for growth, strengthening critical assets, protecting jobs, and ensuring that future shocks, whether natural or economic, are met with greater resilience, shorter recovery times, and sustained economic vitality.

# Resilient Communities: Disasters

Major Disasters Impacting the DETCOG Region (2005–2024)

| Date / Year                 | Disaster & DR#                            | Impact Summary                         |
|-----------------------------|-------------------------------------------|----------------------------------------|
| <b>Sept 23–30, 2005</b>     | Hurricane Rita (DR-1606)                  | Widespread wind/tree damage            |
| <b>Sept 7–Oct 2, 2008</b>   | Hurricane Ike (DR-1791)                   | Inland wind damage, extended outages   |
| <b>Apr 6–May 3, 2011</b>    | Texas Wildfires (DR-1999)                 | Worst fire season; forest & rural loss |
| <b>Aug 23–Sept 15, 2017</b> | Hurricane Harvey (DR-4332)                | Heavy inland rain/flooding             |
| <b>Sept 17–23, 2019</b>     | Tropical Storm Imelda (DR-4466)           | Major flooding                         |
| <b>22 Apr 2020</b>          | Onalaska Tornado                          | EF-3; fatalities, severe damage        |
| <b>Aug 23–27, 2020</b>      | Hurricane Laura (DR-4572)                 | Timber, power, structural damage       |
| <b>Feb 11–21, 2021</b>      | Winter Storm Uri (DR-4586)                | Extreme cold, outages                  |
| <b>Apr 26–Jun 5, 2024</b>   | Spring Severe Storms & Flooding (DR-4781) | Roads, culverts, utilities damaged     |
| <b>Jul 5–9, 2024</b>        | Hurricane Beryl (DR-4798)                 | Hurricane-force winds, outages         |

The DETCOG region has received approximately \$223 million in GLO-administered CDBG-MIT funding for resilience-building infrastructure, including broadband and interoperable communications, drainage, roads, and water systems across multiple counties. These targeted investments embody a “build back stronger” strategy by hardening critical infrastructure and enhancing regional disaster preparedness aligned with EDA resilience priorities.

# Resilient Communities: Economic Distress

## Summary of Economic Disruptions and WARN Data Limitations in Deep East Texas

Between 2015 and 2025, the Deep East Texas region experienced significant economic disruptions reflected by numerous WARN notices, particularly in the larger counties with manufacturing, logistics, and institutional employers. Notable layoff events include:

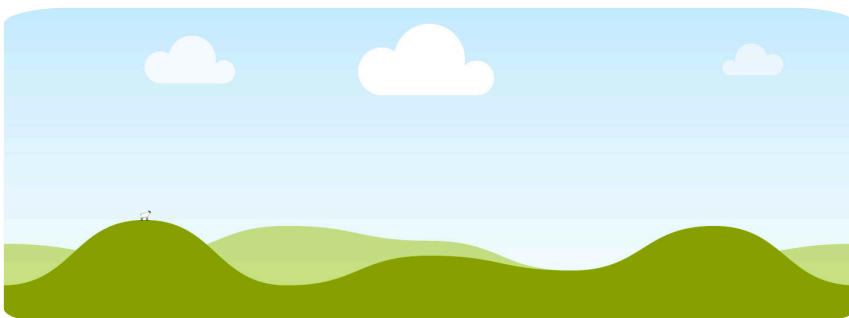
| Year | Employer                                          | County      | Jobs Lost |
|------|---------------------------------------------------|-------------|-----------|
| 2025 | RR Donnelley                                      | Nacogdoches | 88        |
| 2024 | Nacogdoches Medical Center                        | Nacogdoches | 50        |
| 2024 | Portacool                                         | Shelby      | 400       |
| 2023 | Packers Sanitation Services, Inc. (PSSI)          | Shelby      | 93        |
| 2023 | Management and Training Corporation (MTC)         | Angelina    | 101       |
| 2023 | Cygnus Home Services                              | Nacogdoches | 8         |
| 2021 | Aramark Educational Services SFASU                | Nacogdoches | 215       |
| 2020 | Outback #4433                                     | Angelina    | 55        |
| 2020 | ATCO Structures                                   | Angelina    | 90        |
| 2020 | Cinemark Lufkin 12                                | Angelina    | 28        |
| 2020 | Fleetwood Transportation Services & Logistics     | Angelina    | 49        |
| 2020 | Coca Cola-Southwest Beverages-Nacogdoches         | Nacogdoches | 74        |
| 2020 | Southwestern & Pacific #2969                      | Polk        | 1         |
| 2018 | Lufkin Industries, Inc. (GE Oil & Gas)            | Angelina    | 78        |
| 2017 | East Texas Medical Center Trinity                 | Trinity     | 60        |
| 2016 | Lufkin Industries, Inc. (GE Oil & Gas)            | Angelina    | 105       |
| 2016 | Lufkin Industries, LLC (GE Oil & Gas/Power Trans  | Angelina    | 120       |
| 2016 | Lufkin Industries, LLC (GE Oil & Gas/Gear Repair) | Angelina    | 44        |
| 2016 | Lufkin Industries, LLC (GE Oil & Gas/Power Trans  | Angelina    | 213       |
| 2016 | ATCO Structures                                   | Angelina    | 88        |
| 2015 | Lufkin Industries (GE Oil & Gas)                  | Angelina    | 176       |
| 2015 | Walmart Livingston                                | Polk        | 420       |
| 2015 | Lufkin Industries (GE Oil & Gas)                  | Angelina    | 149       |
| 2015 | East Texas Medical Center Crockett                | Houston     | 120       |
| 2015 | Lufkin Industries, Inc. (GE Oil & Gas)            | Angelina    | 330       |

Other counties, including Houston, Newton, Sabine, San Augustine, San Jacinto, Polk, and Tyler, have experienced fewer or no WARN-listed layoffs in the past decade. This absence in formal reporting largely reflects the nature of employment in these smaller, rural counties.

WARN notices are required only for layoffs impacting 50 or more employees at a single site. Many employers in smaller counties are small businesses or have workforces below this threshold. Consequently, layoffs or closures affecting fewer employees, or spread across multiple employers, do not appear in WARN data.

Furthermore, economic impacts in these areas often result from gradual attrition, seasonal employment cycles in industries like tourism and agriculture, or temporary disruptions due to weather events and natural disasters that do not trigger formal WARN filings.

**Disclaimer:** Some events listed represent temporary disruptions or operational transitions rather than permanent workforce reductions. For example, in 2021 SFA transitioned food service providers, with staff subsequently rehired, and in 2024 Portacool temporarily closed due to fire damage before resuming operations. While not resulting in long-term job losses, these events still met WARN notice requirements and caused short-term economic impacts in the region.





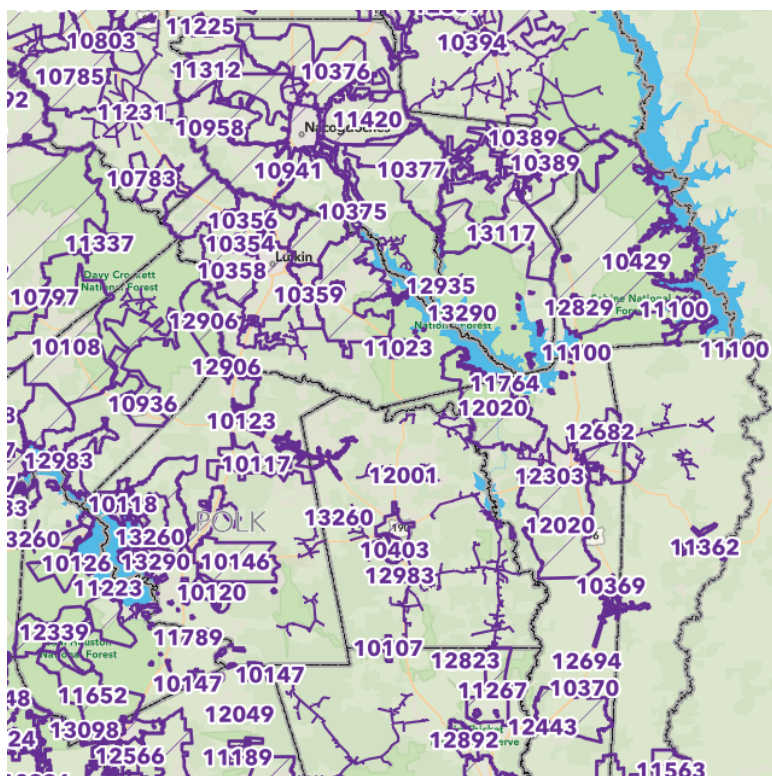
# Water Infrastructure

Deep East Texas is served by more than 150 public water systems, including municipal utilities, water supply corporations, and special utility districts. While this decentralized network helps ensure water access for many of the region's most rural communities, it also creates persistent operational challenges. More than half of these systems serve populations of fewer than 500 residents and are often located in remote, unincorporated, or economically distressed areas.

The small size of many utilities means they often operate with limited rate bases, volunteer boards, or part-time staff. As a result, infrastructure replacement and modernization can be difficult to fund, and compliance with state and federal regulations can strain already limited resources. Many systems are working with facilities that have long exceeded their intended lifespans, and a lack of coordination among providers can lead to inefficiencies and service gaps.

These challenges are compounded by the region's exposure to environmental pressures, population changes, and emergencies. Smaller systems have little redundancy and can be quickly overwhelmed by spikes in demand or unexpected disruptions. Regulatory complexity also plays a role, as overlapping or unclear Certificates of Convenience and Necessity (CCNs) can create disputes over service boundaries and complicate long-term planning efforts.

Taken together, these conditions represent a critical vulnerability for the region. Reliable water service is not only essential for public health but also a prerequisite for economic growth, housing development, and disaster resilience. Without targeted investments, expanded access to technical assistance, and stronger regional coordination, many small utilities will continue to struggle to meet the needs of their communities.



Source: PUCT's Water and Sewer CCN Viewer (2025)  
WSC List in DETCOG Region

## Goals and Plans Forward

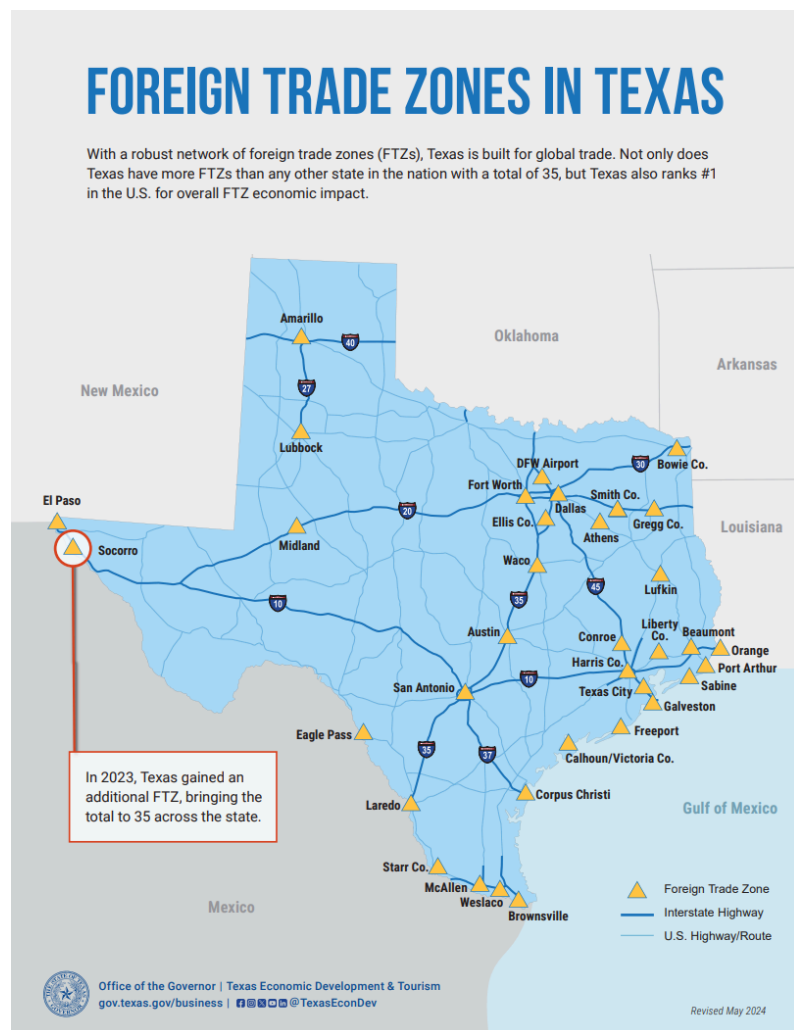
Addressing the region's water infrastructure challenges will require a combination of technical, financial, and organizational strategies. Over the next five years, the goal is to strengthen small systems by expanding access to grant and low-interest loan programs for capital improvements, offering technical assistance and training for compliance and asset management, and fostering partnerships that allow utilities to share equipment, staff, or services. Encouraging regional planning and cooperative agreements can help reduce duplication, create economies of scale, and improve emergency preparedness. Additionally, working with the Texas Water Development Board and other state partners to clarify CCN boundaries will support long-term planning and investment. By improving reliability and capacity, the region can better position its water systems to support public health, economic development, and resilience to future challenges.

# Foreign Trade Zone

The Deep East Texas region is actively working to expand access to the benefits of a Foreign Trade Zone through the Texas Forest Country Partnership's (TFCP) regional FTZ initiative. While there is currently one FTZ operating within the DETCOG service area (Lufkin), participation in a regional zone would provide businesses with the ability to defer, reduce, or eliminate certain customs duties, creating a powerful incentive for manufacturing, processing, and distribution operations to locate or expand here.

FTZ designation would complement the region's strategic location along major freight corridors, proximity to Gulf Coast ports, and access to Class I rail lines. For industries such as advanced wood products, aerospace components, and renewable energy manufacturing, FTZ participation could substantially reduce operating costs and improve competitiveness in both domestic and international markets.

The region's current objective is to align counties, municipalities, and private sector stakeholders with the TFCP application process, ensuring that eligible sites are identified and prepared for potential designation. This will require coordinated outreach to local businesses, integration of FTZ benefits into recruitment materials, and targeted infrastructure investments to meet anticipated site requirements. By securing FTZ participation, Deep East Texas can diversify its economic base, attract foreign investment, and create high-value jobs, supporting the long-term goals outlined in this CEDS.



# Tourism

Tourism in Deep East Texas is anchored by abundant natural resources, rich cultural heritage, and a year-round calendar of events that showcase the region's identity.

The Deep East Texas region, part of the Texas Forest Trail Region, which offers a unique combination of history, natural resources, and cultural opportunity. Its historic sites reflect the development of Texas, while its rivers, forests, and open landscapes provide space for hiking, biking, swimming, and family recreation. The region also presents strong potential for growth in film, media, and music production, adding to its value as both a destination and a place to invest.

Vast tracts of the Angelina, Davy Crockett, and Sabine National Forests offer year-round opportunities for hiking, camping, fishing, hunting, and birdwatching. Two of the largest freshwater reservoirs in the South; Sam Rayburn and Toledo Bend: draw anglers, boaters, and vacationers from across the country, supporting both competitive tournaments and family recreation.

The region's cultural calendar features signature events that attract visitors from across Texas and beyond. The Texas Blueberry Festival in Nacogdoches celebrates the state's blueberry industry with food, music, and artisan vendors. Tyler County's Dogwood Festival showcases spring blooms, heritage parades, and traditions dating back decades. The Texas Forest Festival in Lufkin honors the timber industry's legacy through lumberjack competitions, carnival rides, and local food offerings.

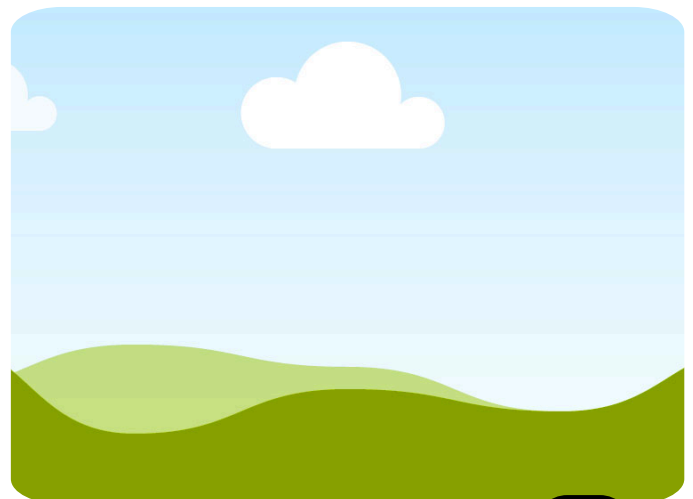
To fully capitalize on these assets, the region will pursue a unified tourism brand that ties together its forests, lakes, festivals, and small-town charm under a single identity. This brand will serve as the foundation for cross-county "experience packages" curated itineraries such as Lakes and Forests Adventure, Historic Towns and Trails, and Festivals and Flavors, designed to encourage multi-day stays and distribute tourism spending across all 11 counties.

A coordinated marketing approach, combining digital outreach, cooperative advertising, and improved signage, will make it easier for visitors to discover and navigate attractions throughout the region. Partnerships between counties, chambers of commerce, and tourism boards will ensure events in one community are promoted alongside complementary destinations in others, turning a single-day visit into a multi-stop regional journey.

By integrating its natural beauty, cultural events, and historic character into a cohesive, market-ready package, Deep East Texas can strengthen its position as a distinctive rural destination, attracting more visitors, extending their stays, and boosting economic impact across the region.

## Action Priorities

- Establish a Unified Regional Tourism Brand
- Integrate branding across marketing materials, websites, and signage.
- Develop Cross-County Experience Packages
- Create themed itineraries such as Lakes and Forests Adventure, Historic Towns and Trails, and Festivals and Flavors.
- Promote overnight stays by linking major events with nearby attractions in other counties.
- Coordinate Regional Marketing Campaigns
- Launch cooperative advertising between counties, chambers, and tourism boards to promote events and destinations together.
- Promote Film and Music Friendly communities to boost tourism opportunities.



# Small Business Development and Digital Readiness

Small businesses are the backbone of the Deep East Texas economy, representing the majority of employers across the 11-county region. From family-owned restaurants and retail shops to service providers and agricultural enterprises, these businesses are deeply embedded in the community and essential to local employment. However, recent years have brought significant challenges. Regional data and local reports indicate a sustained wave of closures, particularly in rural main streets, as businesses struggle with changing consumer habits, supply chain disruptions, workforce shortages, and the lingering impacts of economic shocks from hurricanes, winter storms, and the COVID-19 pandemic.

A critical factor in this decline is the digital divide. Businesses that successfully adopted online tools such as e-commerce platforms, social media marketing, and digital payment systems, were more resilient and often grew during disruptions. In contrast, many local businesses lacked the knowledge, resources, or internet connectivity to make this transition. Without an online presence, these enterprises have limited ability to attract customers beyond their immediate area, leaving them vulnerable to competition from national chains and digital-first businesses.



By equipping local entrepreneurs with the skills and infrastructure needed to compete in the digital marketplace, the region can slow the trend of closures, encourage new business formation, and position small businesses as drivers of long-term economic resilience. This approach aligns with EDA priorities around innovation, workforce development, and regional competitiveness, ensuring that Deep East Texas remains a place where small businesses can thrive in both physical and digital spaces.



# Transportation

Deep East Texas is served by a network of highways and freight rail lines that provide critical connections within the region and to broader national markets. This transportation infrastructure supports the movement of goods, workforce access, emergency response, and long-term economic development.

## Highway System and Interstate Development

The region's transportation backbone includes several major U.S. highways, many of which are being upgraded to interstate standards:

- U.S. Highway 59 is the region's principal north-south route and is being upgraded to Interstate 69 (I-69). This federal corridor will connect Laredo, Pharr, and Brownsville, Texas, to Port Huron, Michigan. Within Deep East Texas, local communities and stakeholders continue to advocate for thoughtful implementation that protects rural economies while improving freight mobility.

Communities in the DETCOG region have been particularly proactive in shaping the design of I-69. Local leaders have endorsed an alternate relief route along the existing railroad corridor between Colmesneil and Warren, minimizing displacement and protecting local businesses. The proposed realignment significantly reduces property impacts, from more than 60 homes and businesses to around 12 homes. TxDOT held public hearings in summer 2024 to incorporate community feedback on the route's design and alignment.

Woodville Relief Route (Segment D) spans approximately 25 miles and was split into southern and northern segments to accommodate phased construction. The route improves traffic flow and emergency evacuation capacity, particularly during hurricane season.

Polk County and San Jacinto County have submitted Community Project Funding (CPF) requests and Congressional earmarks to support design and construction of additional I-69 improvements. These local efforts reflect a growing recognition that federal and state resources alone are insufficient, and communities are stepping up to identify and advance key transportation segments.



**ABOVE: RAIL ROUTES IN DEEP EAST TEXAS. UNION PACIFIC LINES ARE SHOWN IN RED. BURLINGTON NORTHERN SANTA FE LINES ARE SHOWN IN BLUE**



U.S. Highway 190 is a major east–west route being upgraded to Interstate 14 (I-14). This corridor will connect Ft. Stockton, Texas, to North Augusta, South Carolina, supporting military logistics, defense-related industries, and freight transport across the southern U.S. Deep East Texas stands to benefit from the increased connectivity and traffic along this emerging interstate route.

Other key routes supporting intraregional travel and emergency response include:  
 U.S. Highway 69  
 Connecting Beaumont to the Dallas/Fort Worth metroplex

U.S. Highway 96 –  
 Running from Beaumont to Texarkana through Jasper, San Augustine, and Shelby Counties

U.S. Highway 287 –  
 Linking Beaumont to Dallas/Fort Worth through key rural corridors

These routes are vital for economic growth, disaster recovery, and access to education, healthcare, and employment.



**ABOVE: RAIL ROUTES IN DEEP EAST TEXAS. UNION PACIFIC LINES ARE SHOWN IN RED. BURLINGTON NORTHERN SANTA FE LINES ARE SHOWN IN BLUE**

Freight rail continues to serve the region's industrial, agricultural, and timber sectors, offering access to national markets:

Union Pacific (UP) operates two mainlines from Houston:

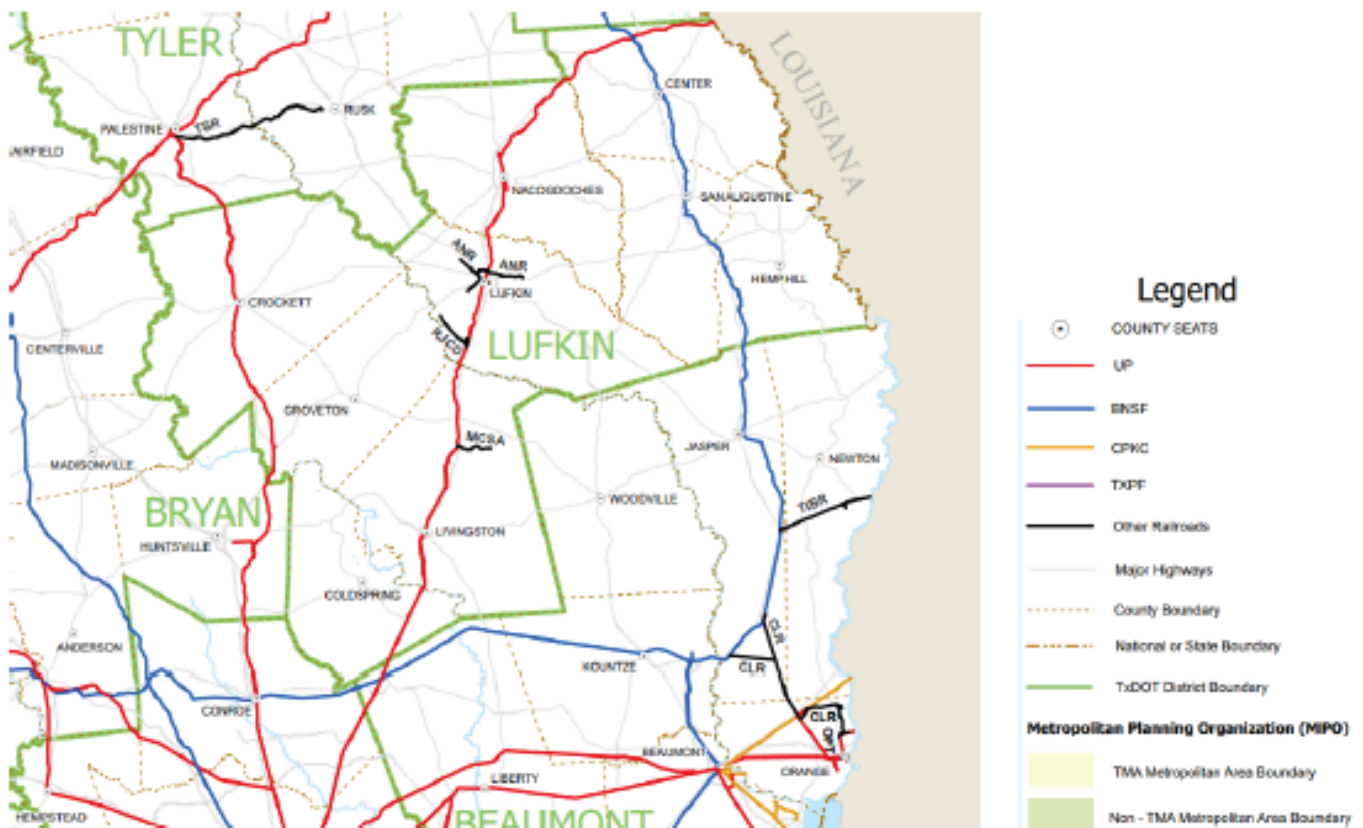
- One runs north through Trinity and Houston Counties to Palestine.
- Another heads east through San Jacinto, Polk, Angelina, Nacogdoches, and Shelby Counties into Louisiana.

Burlington Northern Santa Fe (BNSF) operates a line from the Beaumont/Orange area north through Jasper, Sabine, San Augustine, and Shelby Counties, ending in Longview. This corridor supports heavy freight including timber, aggregates, and manufacturing goods.

Angelina & Neches River Railroad (A&NR) is a Lufkin-based short-line railroad providing critical last-mile service for local industry:

- 28 miles of owned track and 3.5 miles of joint trackage with UP
- Interchange point with Union Pacific in Lufkin
- Over 1,000-car storage capacity
- On-site car repair and transload services

A&NR remains a key infrastructure asset for timber and paper-related industries, improving multimodal freight efficiency in the region.



## Air Transportation in Deep East Texas

### General Aviation Airports – Federal Eligibility & Economic Role

Five general aviation airports in the DETCOG region are eligible for FAA discretionary grants under the National Asset Study (2012):

- A.L. Mangham Jr. Regional Airport (Nacogdoches, regional-use, precision-instrument runway, based aircraft and corporate traffic)
- Angelina County Airport (Lufkin; two asphalt runways, regional-use with instrument approach, extensive FBO services)
- Livingston Municipal Airport (Polk County; public-use general aviation, runway ~3,700 ft)
- Houston County Airport (Crockett; public-use GA airport, ~4,000-ft runway)
- Airport in Center (Shelby County) — still classified as local-use and eligible (no major changes reported since 2012).

| DETCOG Region Airports in Federal Aviation Administration National Assets Study |                          |             |                |               |          |
|---------------------------------------------------------------------------------|--------------------------|-------------|----------------|---------------|----------|
| City                                                                            | Airport                  | Location ID | Public/Private | Service Level | Category |
| Center                                                                          | Center Municipal         | F17         | PU             | Gen Aviation  | Local    |
| Crockett                                                                        | Houston County           | DKR         | PU             | Gen Aviation  | Local    |
| Livingston                                                                      | Livingston Municipal     | OOR         | PU             | Gen Aviation  | Local    |
| Lufkin                                                                          | Angelina County          | LFK         | PU             | Gen Aviation  | Regional |
| Nacogdoches                                                                     | A L Mangham Jr. Regional | OCH         | PU             | Gen Aviation  | Regional |

## Higher Education & Flight Training

Stephen F. Austin State University now offers a Bachelor of Science in Aviation Sciences, launched in Fall 2021. Partnered with HCH Aviation, the program includes:

- Flight training at the A.L. Mangham Jr. Regional Airport
- Use of Tecnam training aircraft and FAA-approved simulators
- Students earning private, instrument, commercial, and instructor certificates

## Regional and Corporate Access

These airports support recruitment efforts by site selectors and corporate executives evaluating locations across DETCOG. The presence of regional-class airports, especially Angelina County (Lufkin) and Mangham (Nacogdoches) offers convenient entry points within 15–20 minutes of regional population centers, complementing commercial service:

- Bush Intercontinental Airport (IAH) – ~105 miles from Lufkin
- William P. Hobby Airport (HOU) – ~128 miles from Lufkin



# Alabama-Coushatta Tribe of Texas:

## A Cornerstone of Culture and Opportunity in Deep East Texas

For generations, the Alabama-Coushatta Tribe of Texas has played a vital role in the cultural and economic fabric of Deep East Texas. As the state's oldest federally recognized tribe, its presence bridges tradition and opportunity, offering a unique blend of heritage and commerce.

**Preserving Heritage:** Through educational initiatives and outreach, the Tribe safeguards their history, language, and craftsmanship—strengthening community identity and boosting cultural tourism.

**Celebrating Tradition:** The annual Alabama-Coushatta Powwow is a signature event, drawing thousands to experience Native arts, dancers and food

**Job Creation:** Naskila Casino provides approximately 700 direct jobs, making it a major source of employment for Polk County and beyond.

**Tourism & Spending:** With over 700,000 visitors each year, the casino fuels millions of dollars in local spending on lodging, dining, retail, and services.

**Business Diversity:** Tribal enterprises in gaming, hospitality, forestry, and retail channel substantial payroll and purchasing power into the regional economy.

**Community Investment:** The Tribe prioritizes local infrastructure, workforce training, and wellness services, enhancing the quality of life for the Tribe and the entire region.

**Partnerships for Progress:** By working closely with chambers of commerce, schools, and tourism boards, the Tribe supports collaborative marketing, coordinated crisis response, and shared investments that benefit all Deep East Texas.

From its cultural celebrations to its economic contributions, the Alabama-Coushatta Tribe stands as a proud steward of tradition and a driving force for regional prosperity.



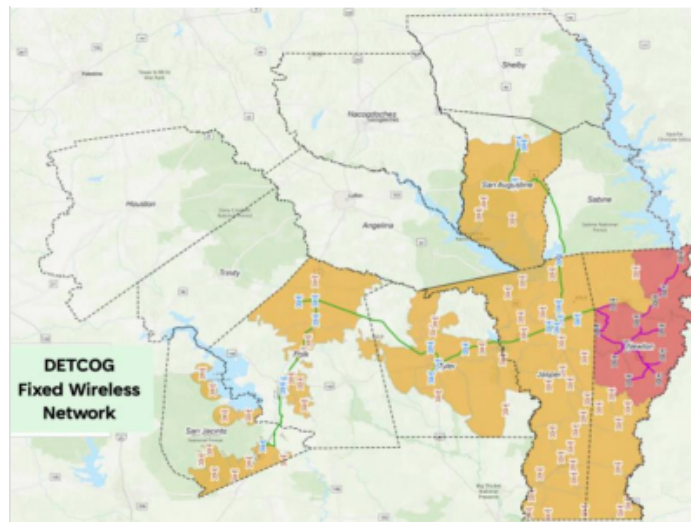
# Broadband

Access to high-speed internet is an essential component of economic growth, education, healthcare, and overall quality of life in the Deep East Texas region. Significant progress has been made in recent years to expand broadband infrastructure, and multiple projects are now underway that will position the region for near-universal connectivity by the end of the decade. The Rural Digital Opportunity Fund (RDOF) awards are nearing completion, with most providers expected to finalize service areas within 2025. In addition, the BEAD program is moving into active implementation. Combined, these initiatives will address the majority of remaining unserved and underserved locations. DETCOG's own Broadband Project, funded through Harvey mitigation resources, is advancing deployment in Harvey-declared counties. Other efforts, such as the Windstream and NTIA Sabine County project and the BOOT II awards for Newton and Trinity County, highlight the region's momentum and continued commitment to ensuring affordable, reliable broadband for all communities.

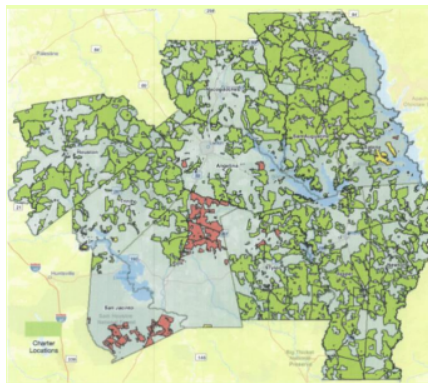
The next step for the region is ensuring residents, businesses, schools, and local governments can fully leverage this connectivity. This includes:

- Digital Skills Training – Providing workforce development programs focused on online business tools, telehealth, e-commerce, and remote work.
- Small Business Support – Helping local businesses establish and expand their online presence to reach new markets.
- Community Outreach – Ensuring residents are aware of new service options, available subsidies, and training opportunities.
- Technical Workforce Training – Offering hands-on programs to prepare residents for in-demand jobs such as fiber splicing, broadband installation, and network maintenance.

By pairing infrastructure deployment with capacity-building initiatives, Deep East Texas will be positioned not only to close the digital divide but also to use broadband as a driver of long-term economic growth and resilience.



DETCOG's regional broadband project is being implemented in phases, with full buildout expected by 2028. The approach prioritizes areas with the highest need, particularly rural and low-income communities, to ensure access to high-speed service for all. Project funded under Harvey Mitigation funding. Only eligible to be utilized in Harvey impacted counties.



Charter Communications  
RDOF Awards

Sabine County  
NTIA Award

## Texas Comptroller Glenn Hegar Announces \$700 Million in Awards for Broadband Infrastructure Projects

Trinity and Newton County selected for Boot II along with 30 other counties statewide



# Public Safety

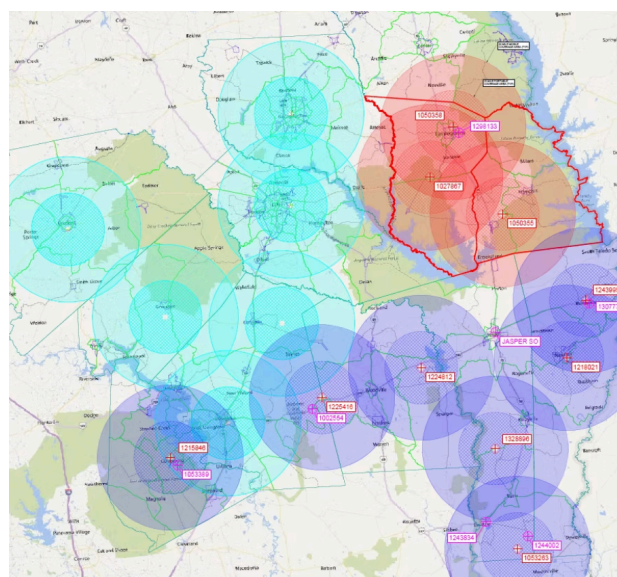
Reliable and coordinated public safety infrastructure, especially interoperable radio and 9-1-1 systems, is more than a community asset; it's a foundation for economic development. Businesses, investors, and workforce talent are drawn to regions where emergency responders can act swiftly and seamlessly across jurisdictions. Efficient public safety systems underpin investor confidence, support business continuity, and enable proactive planning, all of which are essential for sustained economic progress. A recent analysis by the Brookings Institution underscores how intertwined public safety and economic strategy have become for communities nationwide.

DETCOG's investments in interoperable radio and 9-1-1 infrastructure, along with comprehensive public safety programs, are critical pillars of the region's economic strategy. By ensuring seamless communication, rapid response, and integrated planning, these efforts protect citizens and businesses and foster sustainable growth across Deep East Texas.

## Economic Returns on Public Safety Investments

Investing in modern, resilient public safety systems produces clear economic benefits:

- **Enhanced Business Confidence:** Secure communities attract investment and keep businesses operational during disruptions.
- **Attraction & Retention of Talent:** Robust public safety infrastructure signals livability, which is key to drawing workforce and families.
- **Reduced Economic Losses:** Crime and safety-related issues drain resources, for instance, crime can consume nearly 3.5% of a region's GDP, significantly curbing available funds for other investments.

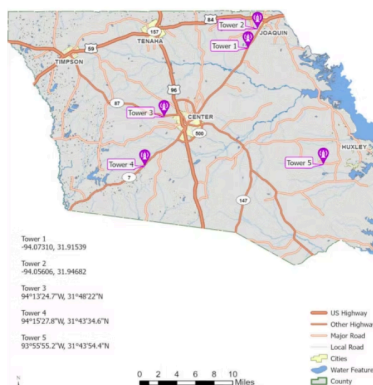


Note: This map is a preliminary draft and is subject to change. Final tower locations and project details are still under review and pending feedback from regional county judges and emergency management officials. Funding for this project is to only be utilized in Harvey Impacted Counties

### Legend:

- Red – Proposed State MID Tower Locations
- Purple – Proposed HUD MID Tower Locations
- Blue – Proposed Sites Funded from Other Sources

### Shelby County, TX



DETCOG is working with local partners in Shelby, Nacogdoches, Houston, and Trinity Counties to expand emergency communications capabilities by connecting each to the 700/800 MHz TxWARN System. The project will utilize a combination of federal appropriations, SERI funding, ARPA funds, and local support to lease existing towers and install interoperable radio equipment that enhances regional public safety coordination.

**RESEARCH**

**The path to public safety requires economic opportunity: Trends and solutions in urban, suburban, and rural communities**

# Strengths

## 1. Natural Resources

- Strategic Location
  - Proximity to major metros: Houston, Dallas/Fort Worth, Beaumont/Port Arthur/Orange, and Shreveport.
  - Access to Gulf Coast ports: Houston, Galveston, Beaumont/Port Arthur/Orange.
  - Convenient access to Houston's markets, airports, and supply chains.
- Quality of Life
  - Strong community spirit, civic engagement, and social capital.
  - Affordable cost of living, relatively inexpensive land, and safe rural lifestyle attractive to families, retirees, and remote workers.
- Cultural & Historical Assets
  - Rich heritage including El Camino Real, historic downtowns, and preserved landmarks.
  - Popular events: Texas Blueberry Festival (Nacogdoches), Dogwood Festival (Tyler County), Texas Forest Festival (Lufkin).
- Natural Environment & Recreation
  - Abundant clean water (surface and groundwater) and clean air.
  - Four National Forests; Sam Rayburn and Toledo Bend Reservoirs (nationally ranked bass fishing lakes); Lake Livingston; smaller lakes such as Dam B, Lake Nacogdoches, and Houston County Lake.
  - State parks, national recreation areas, and extensive outdoor tourism appeal.

## 2. Infrastructure

- Transportation
  - Major corridors: U.S. 59 (I-69), U.S. 190 (I-14), U.S. 69, U.S. 96, U.S. 287.
  - Freight rail: Union Pacific, Burlington Northern Santa Fe, and Angelina & Neches River Railroad.
- Airports
  - Business-class general aviation in Center, Lufkin, Livingston, Crockett, and Nacogdoches, supporting corporate travel and site selection visits.
- Utilities & Broadband
  - Expanding broadband coverage through state, federal, and local initiatives.

## 3. Educational Resources

- Higher Education
  - Stephen F. Austin State University in Nacogdoches; Angelina College main campus in Lufkin with Polk Commerce Center and other satellite locations; Panola College presence in Shelby County.
- Career & Technical Training
  - Public school CTE programs aligned with industry needs (e.g., Nacogdoches Center for Workforce Development).
  - Lamar Institute of Technology satellite campuses in Newton and Tyler Counties.
- K-12 & Specialized
  - Strong public, private, and charter school network.
  - Tyler County Hospital – School of Nursing and other healthcare training programs supporting regional workforce needs.

# Weakness

## 1. Economic & Workforce Challenges

- Limited Economic Diversity
  - Heavy reliance on a small number of industries, particularly timber, agriculture, and oil & gas.
  - Mill closures and reduced demand for traditional timber products impacting local jobs and tax bases.
- Workforce Gaps
  - Shortage of skilled labor in high-demand fields such as healthcare, advanced manufacturing, and IT/cybersecurity.
  - Outmigration of younger, educated workers seeking higher wages and broader career opportunities.
- Lower Wage Levels
  - Average wages lag behind state and national levels, affecting household income and local purchasing power.

## 2. Infrastructure Limitations

- Transportation Gaps
  - Limited public transit options; rural residents often lack access to reliable transportation.
  - Incomplete connectivity of interstate-grade corridors (I-69, I-14) across the region.
- Broadband Access Disparities
  - While improving, several rural and underserved areas still lack affordable high-speed internet access for households and businesses.
- Industrial Sites & Utilities
  - Limited inventory of fully developed, shovel-ready industrial sites with modern utilities and broadband service.

## 3. Demographic & Social Factors

- Population Decline in Some Areas
  - Several counties experiencing population stagnation or decline, reducing the local workforce pool and school enrollments.
- Aging Population
  - Higher percentage of seniors compared to the state average, increasing healthcare and service demands while reducing available labor supply.
- Poverty & Economic Distress
  - Persistent poverty rates above state and national averages in multiple counties.
  - Higher dependency on public assistance programs.
- Mental & Behavioral Health Access
  - Limited availability of services and providers, especially in rural areas, affecting workforce readiness and community well-being.

## 4. Perception & Marketability

- Business Climate Perception
  - Outside investors may perceive rural East Texas as lacking the infrastructure, workforce, or amenities needed for large-scale development.
- Limited Regional Marketing
  - Economic development efforts are often fragmented, with inconsistent branding and outreach to site selectors and target industries.

# Opportunity

## 1. Economic Diversification

- Broadband Expansion
  - State, federal, and local investments creating new opportunities for remote work, e-commerce, telehealth, and online education.
- Emerging Industries
  - Growth potential in renewable energy, advanced manufacturing, distribution/logistics, value-added wood products, and agribusiness.
- Tourism Development
  - Expansion of heritage tourism, ecotourism, and outdoor recreation leveraging the region's lakes, forests, and historic sites.

## 2. Workforce Development

- Education-Industry Partnerships
  - Expanding collaboration between local employers, public schools, and higher education to align training with industry needs.
- Technical & Healthcare Training
  - Leveraging Stephen F. Austin State University, Angelina College, Lamar Institute of Technology, and CTE programs to fill skill gaps in high-demand occupations.
- Youth Retention & Attraction
  - Programs to connect young residents to local career pathways and encourage return migration of skilled alumni.

## 3. Infrastructure & Transportation

- Highway Corridors
  - Continued development of I-69 and I-14 to improve freight movement, attract industry, and enhance regional mobility.
- Rural Transit Expansion
  - Opportunities to improve public transportation, including microtransit and connections to employment centers.

## 4. Quality of Life & Community Development

- Downtown Revitalization
  - Grants and adaptive reuse of historic buildings to stimulate small business growth.
- Healthcare Access
  - Expanding rural health services and telehealth to improve resident well-being and workforce productivity.

## 5. Regional Collaboration & Marketing

- Unified Regional Branding
  - Coordinated marketing to promote the Deep East Texas region as a place to live, work, and invest.
- Leveraging Grant Funding

Targeting EDA, USDA, TxDOT, and other funding sources for infrastructure, workforce, and community resilience projects.



# Threats

## 1. Economic Risks

- Industry Contraction
  - Continued decline in traditional timber markets and mill closures impacting employment and tax revenues.
- Market Volatility
  - Fluctuations in energy, agriculture, and commodity prices affecting local business stability.
- Limited Economic Resilience
  - Heavy dependence on a few key industries makes the region vulnerable to sector-specific downturns.

## 2. Workforce & Demographic Pressures

- Outmigration of Young Talent
  - Loss of skilled workers to larger urban areas, leaving critical shortages in technical and healthcare fields.
- Aging Population
  - Rising retirements shrinking the available labor force and increasing demand for healthcare and support services.
- Poverty & Inequality
  - Persistent poverty limiting workforce readiness and reducing consumer spending.

## 3. Infrastructure & Technology Gaps

- Broadband Disparities
  - Remaining underserved areas could limit adoption of e-commerce, telehealth, and remote learning.
- Transportation Delays
  - Slow progress on completing I-69 and I-14 corridors could hinder economic growth and freight mobility.
- Site Readiness
  - Lack of fully developed industrial sites may cause the region to lose out on competitive business relocation or expansion opportunities.

## 4. Environmental & External Factors

- Natural Disasters
  - Vulnerability to hurricanes, flooding, and severe storms causing infrastructure damage and economic disruption.
- Regulatory & Policy Changes
  - Shifts in federal or state policy impacting funding availability for rural development, transportation, and environmental projects.
- Competition from Other Regions
  - Neighboring areas with stronger infrastructure, workforce pipelines, or incentives attracting prospective businesses.

# Strategic Goals

## 1. Regional Broadband Expansion

- Complete broadband buildout in unserved and underserved areas using state, federal, and private funding.
- Continue partnerships with providers, schools, and healthcare facilities to expand telehealth, remote learning, and small business capabilities.

## 2. Regional Public Safety & Emergency Communications

- Finalize and implement interoperable radio infrastructure to improve communication for first responders across all 11 counties.

## 3. Transportation & Transit Access

- Advocate for completion of I-69, I-14, US-287, and US-96 projects, integrating local growth plans along these corridors.
- Expand rural transit options through partnerships, vouchers, and pilot microtransit services.
- Upgrade and market regional general aviation airports to attract business travel and logistics operations.

## 4. Foundational Infrastructure & Water Systems (New 2026)

- Support water and wastewater system upgrades to meet state standards and prepare for industrial growth.
- Assist communities in securing grant and loan funding for critical infrastructure improvements.

## 5. Small Business Growth & Entrepreneurship (New 2026)

- Expand training, technical assistance, and financing resources through Workforce Solutions, SFASU, and CDFI partners.
- Promote downtown revitalization and tourism-related retail opportunities.

## 6. Workforce Development

- Align training programs with employer needs in manufacturing and emerging industries.
- Support youth career exploration, apprenticeships, and credential programs.

## 7. Tourism, Outdoor Recreation & Heritage Development

- Coordinate marketing for regional lakes, forests, heritage sites, and festivals.
- Improve visitor amenities such as signage, public facilities, and access points.
- Advance heritage tourism, Film Friendly certifications, and ecotourism ventures.

## 8. Industry Recruitment & Retention (New 2026)

- Target recruitment in manufacturing industries.
- Prioritize reuse of existing facilities and sites to reduce startup costs.
- Develop maps and data for access to sites in the region.

## 9. Healthcare Access

- Support rural hospitals, clinics, and telehealth expansion.
- Strengthen local healthcare training programs in nursing, allied health, and medical technology.
- Promote physician recruitment and retention incentives.

## 10. Forest Products Innovation

- Support sustainable forestry and diversification into higher-value wood products.
- Recruit new processing facilities and promote biomass energy opportunities.

## 11. Agriculture, Food Growth & Processing

- Encourage aquaponics, hydroponics, and specialty crop production.
- Expand livestock processing capacity to meet local and regional demand.

# Economic Resilience & Evaluation Framework

The Deep East Texas Council of Governments & Economic Development District (DETCOG & EDD) approaches regional economic development with a focus on building resilience, the ability of our communities and industries to withstand, adapt to, and recover from economic disruptions, natural disasters, and long-term structural changes. Given our region's rural nature and vulnerability to hurricanes, flooding, wildfires, and industry shifts, resilience is a central part of our economic strategy.

## Economic Resilience Strategies

DETCOG & EDD will work with partners to strengthen the region's capacity to adapt and thrive by:

- **Diversifying the Economy:** Supporting small business development, entrepreneurship, tourism, forestry, manufacturing, and value-added agriculture to reduce reliance on any single industry.
- **Strengthening Infrastructure:** Expanding broadband, modernizing water and wastewater systems, improving transportation connectivity, and investing in resilient public safety systems.
- **Enhancing Workforce Readiness:** Partnering with schools, higher education, and industry to ensure residents have skills aligned with current and emerging job markets.
- **Building Local Capacity:** Assisting local governments, tribes, and organizations in planning, grant writing, and project management to better prepare for funding opportunities.
- **Improving Disaster Preparedness & Recovery:** Encouraging hazard mitigation planning, promoting business continuity planning, and coordinating with emergency management to protect people, infrastructure, and economic activity.

## Evaluation Process

Progress toward economic growth and resilience will be measured, tracked, and reported on a regular basis to ensure accountability and continuous improvement. DETCOG & EDD will:

1. Produce an Annual CEDS Progress & Resilience Report summarizing achievements, challenges, and measurable outcomes for each CEDS goal.
2. Meet regularly with the Economic Development Committee and jurisdictional representatives to review progress, discuss challenges, and identify opportunities for course correction.
3. Track regional economic indicators such as Texas Comptroller sales tax allocations, Deep East Texas Workforce unemployment and labor force data, and other relevant measures.
4. Adjust goals and strategies as needed based on data, stakeholder input, and changes in regional conditions.

By integrating resilience into both our strategies and our performance tracking, DETCOG & EDD will ensure that our region not only grows but also adapts and endures in the face of future challenges.

