



2009 – 2011
Houston Port Region
Economic Development Strategic Plan
Developed by the Economic Alliance Houston Port Region
Economies in Motion!™



All Rights Reserved
Last Revision: September 30, 2009, Version 21

Introduction of Contents

Welcome from the Houston Port Region Stakeholders!
This document captures and compiles our comprehensive strategies to help us focus on the future of our region’s vibrant commerce.

Organizational History	Section 1
<i>Our mission: “We exist to market and grow a vibrant regional economy”. This section outlines the leadership-evolution of the Economic Alliance Houston Port Region, the non-profit economic development corporation funded to build consensus, and to develop and facilitate implementation of the mission and this strategic plan.</i>	
Plan Methodology	Section 2
<i>This section explains our “Strategic Approach” that dominates each phase of this plan, from creation to implementation. Our “Strategic Approach” is designed to compliment the culture, uniqueness and expertise of our region’s leaders.</i>	
Executive Summary of the Plan	Section 3
<i>Use this summary to gain a general understanding of this plan.</i>	
Situational Assessment (Area Overview)	Section 4
<i>This section analyzes conditions, trends and issues that affect the regional economy of the Houston Port Region.</i>	
Vision, Goals, Strategic Objectives	Section 5
<i>This section provides the roadmap to address questions such as “Where do we want to be in the next three years?”, and “What is the most effective and highly visible way to position our port region for the next two decades?” Here you will learn the regional leaders’ overall vision that has stimulated a series of goals, objectives and strategies.</i>	
Action Plan! Specific Recommendations	Section 6
<i>This section identifies specific activities to propel our collaborated vision and goals. Here you will find the implementation schedule of prioritized programs and initiatives.</i>	
Evaluation Process	Section 7
“THAT WHICH GETS MEASURED GETS DONE!” <i>This section outlines the process the Economic Alliance will use to track and assess the effectiveness of the action plan activities as they are being implemented.</i>	
Appendix Information	Section 8



Acknowledgements

A strong, effective strategic plan is not produced in a vacuum.
Acknowledgement is due.

 The community, government, and civic leaders and private business members of the Economic Alliance Houston Port Region have provided tireless hours of information, guidance and resource sharing. Staff members of the Economic Alliance are indebted to the leadership and commitment of its Board of Directors and other port region community leaders such as Harris County Precinct Two Commissioner Sylvia R. Garcia and many others.

 Many of our region's governmental and business groups employ or assign executive staff or volunteer professionals with oversight of development for their specific city, chamber of commerce, county, State of Texas legislated economic development corporations or utility districts. The Houston Port Region covers a large area with many jurisdictions and without the routine interaction from these professionals, the strategic planning and implementation processes of the Economic Alliance would be not be nearly as effective.

 Special tribute is due two entities whose strategic plans (referenced below) are heavily incorporated throughout this 2009 – 2011 Strategic Plan. Their body of work served as an additional foundation so that our plan is regionally aligned and complimentary, and generally more robust.

- **Harris County Economic Development Strategic Plan –adopted in 2008**
(For more information contact Harris County Community Services Department Director David Turkel)
- **Gulf Coast Economic Development District of the Houston-Galveston Area Council adopted in 2008** *(For more information contact District Executive Director Mr. Chuck Wemple)*

 The Economic Alliance professional staff members who developed this plan during 2009 include:

- Jan Lawler, President, CEO (2004-2009)
- Chad Burke, Incoming President/CEO (for year 2010 forward)
- Mare McDermott, Incoming COO (for year 2010 forward)
- Bridget Yeary, Financial and Human Resources Manager
- Marisela Cantu, Event and Member Services Coordinator
- Consultant to staff, Vic Jackson, Web and Communication
- Consultant to staff, John Horan, Port of Houston Authority
- 2009 Student Intern, Justin Chelette, The University of Texas at Austin



Organizational History - Section 1

Our mission: “We exist to market and grow a vibrant regional economy”. This section outlines the leadership-evolution of the Economic Alliance Houston Port Region, the non-profit economic development corporation funded to build consensus, develop and facilitate implementation of its mission and this strategic plan.

1.00 - The Economic Alliance Houston Port Region, previously referenced as S.E.E.D. (Southeast Harris County Economic Development Council) is a public and privately funded non-profit 501c(6) corporation that provides economic development services for the communities near the Houston Ship Channel, also known as Southeast Harris County, Texas.

1.01 - The legal name of this organization as originally filed in 1986 with the Articles of Incorporation and with the Internal Revenue Service is **S.E.H.C.E.D.C., Inc.**, an acronym for South East Harris County Economic Development Corporation. During its first eighteen years of operation, the organization was most commonly referenced as **S.E.E.D.**



“Working Today For Tomorrow’s Future”

1.02 - From the start-up of the organization in 1986 through 2003, the organization operated under a Board of Directors consisting of representatives from six funding groups from the private business sector and two contract governmental groups, Harris County and the Port of Houston Authority. Businessman George Bayliss was recruited and employed to serve as president throughout this 18 year period.



Continued: **Organizational History - Section 1**

1.03 - Upon the retirement of Mr. Bayliss in 2003, the Board of Directors was faced with the decision of determining the future strategic focus and direction of the organization. Civic leader Thane Harrison was elected Chairman of the Board during this pivotal time of change.

1.04 - Chairman Harrison worked with the Board of Directors who agreed that S.E.E.D.'s revenue streams had dwindled while the community expectations for economic development services were significantly increasing. Collectively, the directors became more aware that since the creation of S.E.E.D, the field of economic development had matured. The willingness of key funding members, such as Harris County, to continue contracting with S.E.E.D. for services was diminishing and the organization had to change or possibly be faced with the need to dissolve from lack of funding.

1.05 - The business drivers contributing to the changing operating environment included the following:

- When S.E.E.D. was first chartered, few cities were able to fund an economic development director role; correspondingly, most chambers of commerce organizations lacked resources to fund a full-time, robust economic development role. Regional collaborations grew in the 1980's throughout Texas whereby groups of communities and entities shared costs to collectively and proactively combine strengths specifically for economic development.
- Meanwhile, the State of Texas worked on legislative processes that allowed cities to secure funding for economic development through a public approval vote that gave power to levy a one-half cent sales tax for economic development. Elections began to be held in cities across Texas to allow municipalities to access public funds and other tools for use in proactively shaping economic development specifically for their own jurisdiction.
- The one-half cent sales tax laws process requires cities to create a governance corporation (known as "4b" economic development corporations) to operate in concert with a city council solely to manage the economic development sales tax revenue streams as allowable by law. This brought more community leaders and public awareness into the process of economic development as citizens began serving on the boards of their respective city's economic development corporation.
- Cities are now equipped to manage their own processes as never before and now look to regional groups like ours to provide expertise, facilitation, marketing, research and influence that is *only* feasible when multiple partners leverage resources and collaborate on *multi-jurisdiction* programs designed to bring value both to the region and the individual cities.



Continued: **Organizational History - Section 1**

1.06 - Obviously the economic development environment began shifting in Texas for all economic development entities in the 1980's and 1990's, not just the S.E.E.D. However, the S.E.E.D. Board of Directors began recognizing in 2003/early 2004 through surveys and other feedback mechanisms that a strong membership perception prevailed that S.E.E.D.'s current structure was viewed as ineffective for the "new millennium".

1.07 - Some feedback suggested that the organization would be better served to completely dissolve and possibly form a different entity if evidence and data indicated a need. One other alternative existed: to completely reorganize the existing entity. Either choice posed a risk to those individuals who contributed many years of expertise and influence, and who remembered that multiple economic successes would struggle with the change process.

A difficult decision loomed on Chairman Harrison and the Board of Directions. Ultimately, the decision was approved to re-tool the organization with the belief that the southeast Harris County communities should continue working together to nurture regional economic development approaches customized for the port region's unique economy. The directors recognized the potential of their communities with approximately 900,000 citizens working and living in the port region. With clarity, the Board leaders encouraged fellow civic and business leaders to support this renewed focus specific to their region.

1.08 - To accomplish this vision, the Board of Directors raised funds to conduct an executive search for a new president/CEO of the organization. The private member company Phelps State Farm loaned an employee to temporarily assist with administrative duties. Local businesswoman Carol Harmon served as a temporary consultant for several months in 2003. From September 2003 to January 2004, the organization worked on a massive effort to hire a new President/CEO by engaging a consulting firm out of Austin, Texas - Johnson and Associates, Inc. The consulting firm was charged to work with Carol Harmon and the Directors to identify qualified candidates through a nation-wide executive search. The position was filled during the month of December and new President/CEO Jan Lawler commenced duties on January 5, 2004. Supported by a committed leadership, the process began to conduct a S.W.O.T. analysis (to identify Strengths, Weaknesses, Opportunities and Threats) by networking, conducting research and surveys, and holding stakeholder input sessions; all of which served as a foundation for initial strategic planning path that began in 2004.

1.09 - The next actions of the change process included developing a new brand and name:



Continued: **Organizational History - Section 1**

1.10 - A new organizational structure was implemented, and most importantly, razor-focused strategies specifically designed to address trends and development in the economic sectors of maritime, petrochemical manufacturing, heritage tourism, and related small business were researched and developed.

From January 2004 until the present day, the newly named Economic Alliance Houston Port Region (herein referenced as the Economic Alliance) has methodically followed this strategic planning approach that continues to help the organization and its effectiveness grow. By 2008 and continuing for 2009, the Economic Alliance Houston Port has been distinguished statewide for “Economic Excellence” operations by the Texas Economic Development Council.

1.11 - The Economic Alliance is now funded and provides economic development services to more than 100 private businesses and the following Texas government entities and chamber of commerce stakeholder groups:

Governmental Contract Members:

- Harris County
- The Port of Houston Authority
- City of Baytown
- City of Deer Park
- City of Galena Park
- City of Jacinto City
- City of La Porte
- City of Morgan’s Point
- City of Pasadena
- City of Pearland
- City of Seabrook
- City of Shoreacres
- City of South Houston
- The North Channel Area Unincorporated Communities of North Shore, Channelview and Sheldon
- The South Channel Neighborhood Area known as South Belt-Ellington

Chamber of Commerce Members:

- Baytown Area Chamber of Commerce
- Deer Park Chamber of Commerce
- North Channel Area Chamber of Commerce
- North Channel Economic Development Foundation
- La Porte-Bayshore Chamber of Commerce
- Pasadena Chamber of Commerce
- North Pasadena Business Association
- Pearland Area Chamber of Commerce
- Seabrook Association
- South Houston Chamber of Commerce
- South Belt – Ellington Chamber of Commerce



Continued: **Organizational History - Section 1**

1.12 - As of print date of this plan, it is estimated that the Economic Alliance manages more economic development service contracts for Harris County, Texas municipalities than any other regional economic development non-profit entity. This is significant progress considering that in January, 2004 the organization did not hold a service contract with any municipality in Harris County or Texas.

1.13 - Factors that are credited for solidifying and growing this collaboration since the organization's 2004 reorganization are:

- Influence of committed leadership from the participating stakeholder groups
- Perceived value of effective strategic planning that encouraged resource investment
- Successful implementation of strategies with highly visible and innovative solutions relevant to the Houston Port Region
- Milestone celebrations: **"... Those who see the Invisible can accomplish the Impossible"**



CSF #1- (CRITICAL SUCCESS FACTOR): The Economic Alliance manages contract services with minimal full-time staffing providing value to its members. Almost 93% of all revenues are estimated to be directly converted to service, making it critical that work is systemized and that all activities are focused on implementation of this strategic plan. A table is provided in Section 8 which links each event to either a strategic plan action and/or an activity deemed by Texas Economic Development Council to be a preferred practice of "Economic Excellence" distinguished organizations.



Continued: **Organizational History - Section 1**

1.14 - Our Mission, Strategic Approach, Vision and Values

Mission:

We exist to market and grow a vibrant regional economy.

Strategic Approach

To accomplish our mission to market and grow a vibrant regional economy, we must strategically, as a non-profit organization:

- Clearly identify and prioritize regional needs
- Implement systematic processes and initiatives to address the targeted needs
- Strategically obtain and leverage adequate resources to accomplish our mission
- Aggressively recruit our entire region's expertise to systematically work through volunteer committees and councils to accomplish our mission and strategies

Vision

We envision that we will lead our community region to:

- Retain and expand current business and economic strengths
- Grow both the number and quality of targeted new employment opportunities
- Continuously improve our quality of life and assets so that companies are drawn to our region as an incentive for their employees and that tourists aggressively visit our region

Values

- We value the people of our region as human beings deserving of opportunities to afford livelihoods for themselves and their families, and a quality of life which provides security, education, safety, health and cultural enhancements.
- We value the resources entrusted to us and therefore shall build accountability into our operations by identifying clear, measurable initiatives which support our mission and strategies; and conducting our actions in an ethical and independent manner.
- We value free-market competition among our members as a means to continuously improve our region as a whole, while remaining independent and impartial to the process.
- We value our collective strength as a regional alliance and shall work to constructively advocate for our targeted needs within the governmental and/or community education process.
- We value our creative, diverse leadership and shall remain respectful of each other's views, beliefs, and opinions so that we may effectively work together to successfully accomplish our common goals and vision.



1.15 - The employee organizational chart (updated in February, 2009) provides the systems to help regional leaders to successfully implement strategies.

Update #1: Since 2008, a loaned executive John Horan has been assigned and funded to manage a key project included in this plan: implementation of the International Maritime and Energy Center of Houston. Specific, measurable actions are included in Section 7 of this plan related to the Center. This resource will serve as a catalyst to expedite implementation of this project.

Update #2: to be updated as of 12-31-09 to reflect transition of roles in organization



Plan Methodology - Section 2

This section explains our “Strategic Approach” that dominates each phase of this plan, from creation to implementation. Our “Strategic Approach” is designed to compliment the culture, uniqueness and expertise of our region’s leaders.

The Strategic Approach of the Economic Alliance

2.00 - On March 31, 2004, the Economic Alliance Houston Port Region Board of Directors, Community, Government and Business Leaders came to consensus and unanimously approved a **Strategic Approach**.

Daily activities that support our **Strategic Approach** are continuously refined to ensure the overall process is:

- Organized and relevant to the organization’s mission and is realistic
- Perceived as realistically achievable
- Reflective and complimentary to the overriding culture of the organization to better ensure internal and external credibility in future consensus building processes.

Our **Strategic Approach** is routinely published with our Mission, Vision and Values statement, in brochures and on our website, in our members’ annual report provided at the yearly members’ meeting, and also below:

Our Strategic Approach is:

To accomplish our mission to market and grow a vibrant regional economy, we must strategically, as a non-profit organization:

- Clearly identify and **prioritize** regional needs
- Implement **systematic** processes and initiatives to address the targeted needs
- Strategically obtain and **leverage** adequate resources to accomplish our mission
- Aggressively recruit our entire region’s **expertise** to systematically work through volunteer committees and councils to accomplish our mission and strategies.



Continued: **Plan Methodology - Section 2**

2.01 - Incorporation of our strategies into our daily activities

Staff and members work to incorporate our **Strategic Approach** into all activities and processes. Over the next three years, the strategic plan will be emphasized routinely as a staff tool to focus actions (on the region's *prioritized needs*) and ideas (on innovate ways to *leverage* resources and *expertise*).

Two examples of daily activities that incorporate our strategic approach include:

- *The Economic Alliance electronic file systems have been systematically structured to mirror the strategic plan categories to better ensure focus and alignment with the region's prioritized needs.*
-
- *Since 2006, the staff goal setting process has been organized by categories that mirror each of the five key strategic goals of the Economic Alliance.*

2.02 - Building upon our 2004 – 2008 Five Year Economic Development Strategic Plan

This 2009 -2011 Plan launches the next three years upon key learning from the past five years:

- The opportunities are now more visibly clear
- Time will not be wasted on activities that proved lacking when measured for effectiveness
- We succeed most when we are flexible with an evergreen strategy: Learn, adjust and move forward quickly
- Research and data compilation
- Numerous surveys, we compiled consistent findings related to our Houston Port Region communities' economic well-being



Continued: **Plan Methodology - Section 2**

2.03 – Knowledge built in our 2004 -2008 planning process is the launching point and provides:

- *Clarity of target industry sectors*
 - *Clarity of regional issues*
 - *Clarity of strategic actions*
 - *Already existing, influential, productive Task Forces recognized for expertise*
- ✓ **The foundation of knowledge built during our 2004-2008 planning process was gathered through countless formal and informal study processes such as:**
 - Personal interviews
 - Group meetings and workshops
 - ✓ **This body of work included a “SWOT” analysis (strengths, weaknesses, opportunities and threats) and Issues Assessment:**
 - Is included in the Section 4 of this Plan
 - Has been validated with similar conclusions by Harris County and H-GAC and other groups.
 - ✓ **The target industry cluster groups identified since 2004:**
 - Are included in the Section 4 of this Plan
 - Were also validated as top priorities for our region in the Harris County Economic Development Strategic Plan published in 2008



Continued: **Plan Methodology - Section 2**

2.04 – Benchmark: *Continue to Benchmark, Benchmark, Benchmark*

Interaction with other Texas Economic Development Council members allows the Economic Alliance to continuously gather best practices from other model economic development foundations. Local economic development regional organizations - such as the Greater Houston Partnership, Fort Bend Economic Development Council, Bay Area Houston Economic Partnership, and the Baytown/Chambers County Economic Development Council and countless others - were benchmarked during the development of this 2009-2011 Strategic Plan.

2.05 – 2009 – 2011: *Why only three years, rather than five years as before?*

Fast-paced global economic events call for a shortened phase approach

- For the prior 2004 – 2008 Plan: a five year increment for the planning cycle was deemed appropriate. This allowed time to forge significant changes in the communities' reorganization of the Economic Alliance and time to proactively position these same port region communities for a new era of economic development.

- For the 2009 – 2011 Plan: A three-year period of planning was selected due to the uncharted economic events in the U.S. and the world. Predictability is difficult, especially when linking our regional economy with shifts in national public policy, with changes in finance industry regulations and with limited credit availability for business transactions, especially speculative development projects.

2.06 – For 2009 – 2011: *Continue to recruit expertise to implement strategic actions as "Task Forces"* In accordance with the **Strategic Approach** adopted by the leaders of the Economic Alliance in 2004, the staff has worked to implement strategies with volunteer task forces consisting of leaders:

- With political and business influence, and
- With content expertise, and
- A vested interest in success.



Continued: **Plan Methodology - Section 2**

2.07 – For 2009 – 2011: Continue utilizing our One Solution™ approach

Since 2004, each of the organization’s Task Forces has been challenged, *and should continue* to be challenged to innovatively translate targeted priorities into one highly visible, robust, long-term solution. The solutions also must incorporate flexibility in our every-changing economic environment.

Referenced as “One Solution™”, this strategic approach continues to help us be ever mindful of goals and resource utilization, most importantly a highly visible, substantial impact.

- Our research indicates that too many initiatives and activities resulting from a strategic planning process can force the best of organizations to suffer. Resources become dangerously stretched and initiatives become shallow in substance, serving only as momentary public relations events. This often occurs when non-profit entities lose focus and attempt to be “all things to all people”.
- We believe that collectively the solutions of all the teams have made a measurable positive economic impact at the end of five years (2008) in our region, with the potential to adapt and positively impact this planning period through 2011 and beyond.

Since 2004, the collective impact of our approaches and results has catapulted funding growth of our organization, a key indicator that our stakeholders perceive a value and are willing to pay for it.

2.08 – Learn, adjust and move forward

The strategic plan covering the term from 2009 – 2011 will be refined and **adapted** as implementation activities progress and are monitored for effectiveness. Time will not be wasted on ineffective approaches.

2.09 – Task Force Structure (Also referenced as Leadership Forums)

A diagram of the structure of these task forces is provided in the Executive Summary located in Section 3 of this Plan.

More references to the work of these task forces are included in the Specific Recommendations Section 7 of this plan.



Continued: **Plan Methodology - Section 2**

2.10 – Testing our Assumption:

A step was conducted early on in the development phase of this 2009-2011 Strategic Plan to ensure a basic assumption that we should continue with. A partial list of organizational milestones achieved since 2004 was compiled that suggest the strategic methodology (approaches) warrants continuation.

2.11 – “On the right track” Partial list of Milestones since 2004:

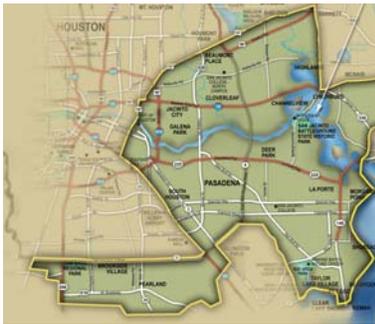
- Grown from one employee with January 1, 2004 to five full-time employees at beginning of 2009; two were successfully recruited for their expertise from other cities in Texas.
- Implemented satellite Small Business Development Center counseling in office with partners
- Coordinated leaders to keep the Battleship Texas historical asset in Harris County
- Honored as Best Practice for the petrochemical industry workforce development. (In spring 2008, the Economic Alliance and the Development Corporation of Abilene were selected by Texas Economic Development Council for Workforce Best Practices Award for populations exceeding 100,001)
- Coordinated 16 ship channel communities’ participation in developing the Houston Regional Air Quality Plan in 2008
- Two years running since 2008, earned the Economic Excellence award from the Texas Economic Development Council for professional standards and processes (Less than 25 organizations in Texas have been annually recognized)
- Prospected/projected lead systems almost non-existent prior to 2004; systems now in place.
- The organization’s annual revenues grew from \$128K in 2003 to \$936K in 2008, even though revenue potential was limited with an approximate January 1, 2004 \$150 bank balance; this is combined with a service area populated with zones of ethnic minority socio-economic challenges.
- First time implementation of multiple economic development contracts (eleven Harris County cities) in addition to other contracts and grants.
- Productivity Ratio of 2 to 1. Said differently, approximately two city economic development contracts are managed for every one Economic Alliance fulltime employee.



Continued: **Plan Methodology - Section 2**

Continuation of the Partial list of Milestones since 2004:

- Creation of systematic approaches in five years translates into low overhead costs. Estimated almost 93% of 2008 revenues directly spent for service.
- Examples of the One Solution approach is visible in long-term, highly visible, award winning initiatives ranging from the creation of the San Jacinto Texas Historic District and its award winning master plan, to the creation of the International Maritime and Energy Center non-profit entity, and to the first Urban Land Use and Transportation Sub Regional group in the ten-county region of Houston Galveston Area Council.



CSF #2- (CRITICAL SUCCESS FACTOR): In hind sight we learned that the most critical factors that ensured success of our five year strategic plan were:.

- Information gathering
- Consensus building
- Flexibility
- Persistence

CSF #3- (CRITICAL SUCCESS FACTOR): By aligning our strategies when appropriate with other significant regional economic development strategic plans, the Economic Alliance is better positioned to identify synergies, avoid disjointed approaches, and avoid redundant uses of resources.



Specifically, we believe that alignment with Harris County and H-GAC (Houston-Galveston Area Council) plans is a Critical Success Factor for this plan. Each activity in the detailed electronic Action is referenced to indicate when the activity also links to other regional plans.



Executive Summary of the Plan - Section 3

Use this summary to gain a general understanding of this plan.

3.00 - This executive summary provides a brief description of the methodology, consensus approach, and summary goals and actions for the economic development strategic plan that shall guide the Economic Alliance Houston Port Region for the three years beginning in 2009.

3.01 - The Foundation for this Three-Year Plan:

A five-year reorganization strategy that was thoroughly researched and successfully implemented for the years of 2004 – 2008 is serving as a launching point for our 2009 – 2011 Strategic Plan.

The methodology used in developing this new three year plan is consistent with our board approved ***Strategic Approach*** adopted in 2004.



3.02 - Consensus Building Process:

1. Research conducted by Harris County in its 2007-2008 strategic planning process validated assumptions used in our 2004-2008 and current 2009-2011 plan of the Economic Alliance. Alignment to Harris County's plan has been documented whenever possible in this plan. (See Appendix, Section 8)
2. An initial plan outline was prepared by staff, using the prior five-year plan and its results as a foundation template. A summary was prepared for the board and members to review as a team during a facilitated workshop.
3. The plan summary mentioned in step two was presented at a [Strategic Planning Workshop](#) held February 20, 2009 in the conference room of the Economic Alliance in La Porte, Texas. All directors and members were invited to participate. Interactive dialogue was facilitated and productive. Feedback from this workshop was positive.



Continued: **Executive Summary of the Plan - Section 3**

4. This plan's direction was approved with these additions:

- **A fifth strategic goal category was included for Education/Workforce Development.**
 - Previously education/workforce development initiatives were incorporated as elements in the other strategic goal areas.
 - The stakeholders seriously considered and voted unanimously to provide a stand alone goal area specifically for Education/Workforce Development citing issues such as student drop-out levels, skilled baby boomer exits out of our local workforce, and socio-economic demographic education trends in the port region.
- **Two public policy focuses were added that reflect quality of life needs in the port region.**
 - The stakeholders unanimously approved that subcommittees be added as part of our overall public policy education strategic process.
 - Health care public policy is to be monitored due to the drain of regional resources to care for uninsured.
 - Homeland security public policy is to be monitored due to the potential economic impact if security breaches occurred in our nationally significant port region.

5. Research and additional compilation delayed the updated plan draft that was to have been presented at the April, 2009 Board and General Membership meeting. However, from the end of February until the June 24 Board and General Membership meeting, refinement activities were conducted.

6. Presentation at the June 24 Board and General Membership meeting were slated to provide an opportunity for an initial review and question and answer opportunity for directors and members.

7. A copy of the strategic plan with input incorporated from the June 24th Board and General Membership meeting was slated for posting on the Economic Alliance website by June 30, 2009. After this long consensus building process, the board was slated to vote to adopt the plan via an email approval process planned from June 30 – July 15, 2009.

8. As with the previous Strategic Plan, the 2009 – 2011 plan is structured as an evergreen document that is user-friendly as a daily tool. Evaluation tools and schedules may be found in Section 7 and are designed to be routinely referenced and monitored to keep the plan successfully on track.



Continued: **Executive Summary of the Plan - Section 3**

3.03 - In summary:

The following sectors, opportunities and needs currently drive the focus of our work and this plan, and shall guide the Economic Alliance Houston Port Region activities for the three years moving forward from 2009:

**Energy Related Manufacturing Sector
Maritime – Trade Logistics Sector**

**Heritage Tourism Opportunities
Small Business Development Opportunities**

**Freight Transportation Corridor Needs
Education – Workforce Development Needs
Regional Quality of Life Needs**

Goals to address our focus are organized into five major categories and include:

- GOAL #1: Operational Excellence**
- GOAL #2: Regional Retention – Expansion**
- GOAL #3: Regional Commerce – Marketing**
- GOAL #4: Regional Public Policy**
- GOAL #5: Regional Education – Workforce**

A spreadsheet is provided in the detailed Recommendation Action Plan Section 7 that captures objectives, actions, staff assignments, task force assignment and measurements of success. A one-page graphic illustration that summarizes this spreadsheet follows next in this section.

In general, this new three-year plan will chart the Economic Alliance roadmap for developing and implementing economic development services for its member communities, governmental entities, chambers of commerce and business members.

In conclusion, the following highly visible, substantial projects continue to evolve in our strategic process and are attracting state and national attention as best practices:

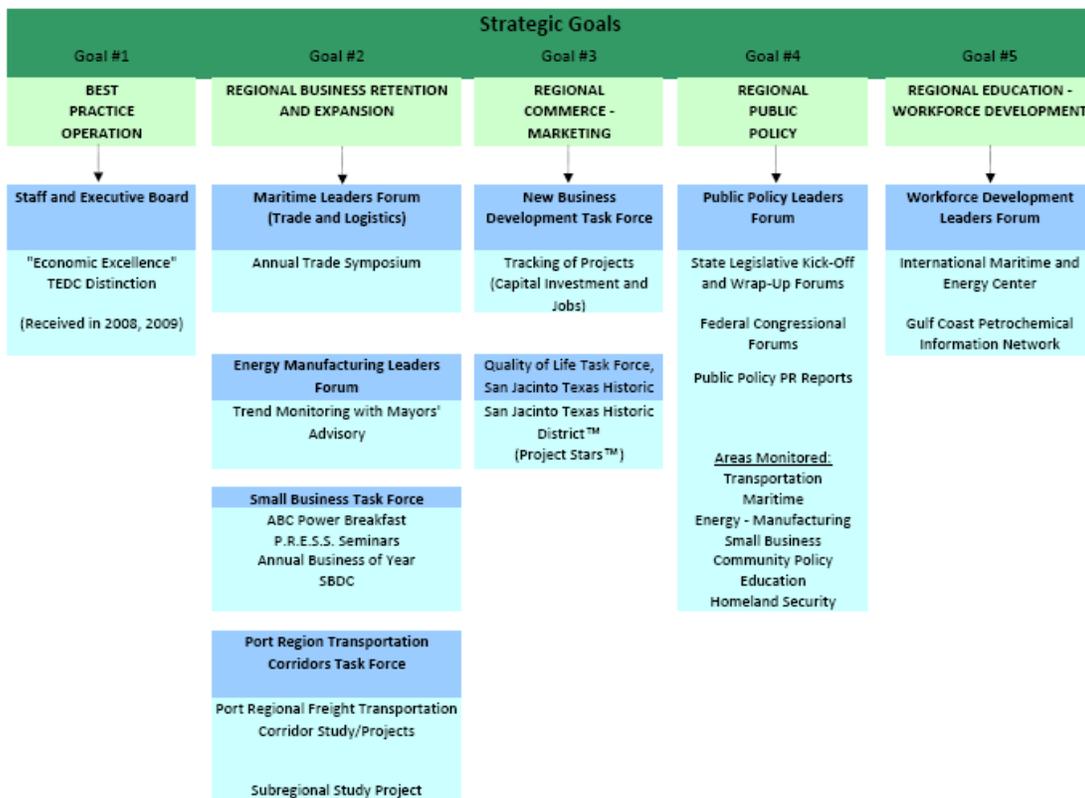
- **Project Stars:** Addresses poor image, blight, markets unique heritage, quality of life. Vetted as Precinct Two Issue #2, #3 in Harris County Economic Development Strategic Plan (*HCEDSP*)
- **International Maritime and Energy Center:** Addresses workforce capability concerns for economic engines in ship channel. Vetted as Precinct Two Issue #1 in *HCEDSP*.
- **Sub Regional Planning Process:** Will merge three Transportation and Land Use planning tools for which funding sources have been secured by Economic Alliance. Vetted as Precinct Two Issue #2, 3, 4, 6 in *HCEDSP*.



Continued: **Executive Summary of the Plan - Section 3**

3.04 - Summary of Five 2009 – 2011 Strategic Economic Development Goals, Solutions, Leaders (Task Forces)

Economic Alliance Houston Port Region
 A Visual - How our Strategic Goals are Implemented
 Examples of Deliverables/Solutions for 2009 - 2011 Strategic Plan
 Updated September 30, 2009



Continued: **Executive Summary of the Plan - Section 3**

3.05 - In addition to the above activities the Economic Alliance will be focused on helping its communities recover from the devastating impact of Hurricane Ike. Substantial collaboration will continue with Harris County Precinct 2, Harris County's Community Services Department, and H-GAC who have organized high level response activities to help bring in federal funds to assist with the recovery.

The Economic Alliance will continue to keep open the SBA Business Assistance Center and Loan Closing Center as long as possible in 2009. Through a partnership with San Jacinto College District, this disaster center located in the Economic Alliance's offices was opened within a week after the storm. More than \$18 million dollars in SBA loans were closed in the Economic Alliance office as of April, 2009 to help with the recovery effort.



Situational Assessment (Area Overview) - Section 4

This section analyzes conditions, trends and issues that affect the regional economy of the Houston Port Region.

4.00 - Information is organized in this section to address these general questions:

4.01 - What is the current condition (or economic scan) of our port area?

4.02 - What are the strengths, weaknesses, opportunities and threats (SWOT Summary) for our port area?

4.03 - What are the key issues (regional needs) for our port area to address?

4.04 - What target industries (growth centers) are complimentary for our port area and the related challenges?

4.05 - What are the key economic resources for our port area?

4.06 - How can we summarize the impact of 2008 Hurricane Ike?

4.07 - How has and can the Economic Alliance continue to work with other entities with Hurricane Ike Disaster Recovery?

4.01 - CURRENT CONDITION (Economic Scan)

The Houston Port Region's communities that comprise the Economic Alliance include eleven municipalities and five unincorporated neighborhoods that are defined by school or college campus districts. Approximately 900,000 people live or work within this region. The port region communities enjoy a prosperous economy due to assets that include a navigable waterway and close proximity to crude oil.



Continued: **Situational Assessment (Area Overview) - Section 4**

Continued: CURRENT CONDITION – Economic Scan

The economic foundation for our area was created by three significant events:

- In 1836, a battle in the heart of the port region at the San Jacinto Battleground determined that the Republic of Texas would be created. This was a catalyst of a chain of events that affected the history of the United States and its position in the oil industry during the 20th century.

- In 1909, Harris County residents approved the creation of the Port to be developed along a natural waterway named Buffalo Bayou. A massive hurricane diminished the City of Galveston’s ability to be the primary port, industrial, and financial center in Texas, thus spurring development of Buffalo Bayou as an inland port. Today, the Port, a 25-mile long complex of public and private facilities ranks first in the U.S. in foreign waterborne tonnage and tenth in the world in total tonnage.

- In 1901, oil was discovered in the Spindletop oil field in nearby Jefferson County. With the growing inland port facilities along Buffalo Bayou, the Houston Port Region communities became home to the infrastructure emerging as the “Energy Capital of the World”. This manufacturing – port complex is now first in size in the United States and second to Rotterdam in the world. The need for manufactured products and fuel for World War II allies was another stimulant to the port region’s economic boom.

Jobs and the Economy

Even though the energy/manufacturing sector has played a major role in the port region’s economy, the region is becoming more balanced with international trade, with the expansion of facilities by the Port of Houston Authority. Harris County is the largest county in the State of Texas, and Precinct 2 of this county closely mirrors the port region where the economic engines of manufacturing and maritime are located. The port region is approximately 20 minutes from the world’s largest medical center and with a large municipal airport, Hobby Airport, located within the South Belt-Ellington area. The port region has a vibrant small business community with an ever booming construction industry, both which thrive significantly from the energy manufacturing and maritime industries.



Continued: **Situational Assessment (Area Overview) - Section 4**

4.02 - S.W.O.T. Summary (Strengths, Weaknesses, Opportunities, Threats)

Our regional strengths: The Houston Port Region is home to two key economic clusters. These two economic engines, international trade and manufacturing, are our core economy and provide our region with:
Well-developed infrastructure
Highly-skilled, complimentary workforce and culture
Strong support industries, both large and small



Our regional weaknesses: The Houston Port Region's image and quality of place can be enhanced. Also, education and workforce development trends need reinforcement, especially among emerging ethnic groups, in order to ensure our region replaces the skilled, retiring "baby boomer" generation.



Our regional opportunities: Along with the forecasted cruise industry growth, the Houston Port Region has a unique "niche" of historical treasures and marketable Texas heritage.

Our regional threats: Trends in manufacturing have changed in the highly competitive emerging global market place indicating a need to continuously partner to explore solutions for common issues such as air quality improvements and especially transportation infrastructure improvements.



Continued: **Situational Assessment (Area Overview) - Section 4**

4.03 - ISSUES (Regional Needs)

Identified by **Economic Alliance** and Incorporated into Strategic Plan since 2004:

Especially among emerging ethnic group, education and workforce development systems need reinforcement to meet needs.

- ✓ **Confirmed by Harris County in 2008 Economic Development Strategic Plan – specific to Pct. 2**
Issues #1: *Low educational attainment of residents will cause concerns about workforce capabilities*
- ✓ **Also Cited by GCEDA Plan**

The Houston Port Region’s image and quality of place needs to be enhanced.

- ✓ **Confirmed by Harris County in 2008 Economic Development Strategic Plan – specific to Pct. 2**
Issue #2: *Perceived lower quality of life than the western part of Harris County*
Issue #3: *The need to revitalize older, urban, and blighted areas*
- ✓ **Also Cited by GCEDA Plan**

Transportation infrastructure improvements needed for evacuation routes.

- ✓ **Confirmed by Harris County in 2008 Economic Development Strategic Plan – specific to Pct. 2**
Issue #4: *Weather concerns (exposure to hurricanes, susceptibility to flooding) can affect industry location decisions*
- ✓ **Also Cited by GCEDA Plan**



Continued: **Situational Assessment (Area Overview) - Section 4**

Transportation infrastructure improvements needed for evacuation routes.

- ✓ **Confirmed by Harris County in 2008 Economic Development Strategic Plan – specific to Pct. 2**
Issue #5: *Security concerns related to petrochemical industries and the Port of Houston need to be addressed*
- ✓ **Also Cited by GCEDA Plan**

Need to continuously partner to explore solutions for common issues such as air quality improvements and especially transportation infrastructure improvements.

- ✓ **Confirmed by Harris County in 2008 Economic Development Strategic Plan – specific to Pct. 2**
Issue #6: *Aging infrastructure will need to be upgraded if precinct is to attract and retain industry*
- ✓ **Also Cited by GCEDA Plan**



Continued: **Situational Assessment (Area Overview) - Section 4**

Continued: CURRENT CONDITION – Economic Scan

4.03 - Regional Population

The population growth of the port region is estimated at approximately 20%, and parallels Harris County Precinct Two's population growth from 1990 – 2005.²

The populations of each city/community in the service region of the Economic Alliance are outlined later within this section.

More than half the population of the port region communities served by the Economic Alliance is estimated to be Hispanic, with an estimated 9% as black and an estimated 19% white.³

Culture and Environment

As important as the opportunities that exist in the port region's robust economy may be, other factors contribute significantly to the future of our growth. Today, technology and knowledge are replacing segments of labor and capital as key factors of production. We have become an information society in a knowledge economy that is increasingly dependent upon highly mobile talent to ensure our economic growth. How competitive is the port region in today's age of talent?

Since the development of Buffalo Bayou in the 1800's, creative Texas spirit has nurtured a creative class. Creativity breeds art and culture, which contribute to an area's place-making sensibility. Today, the key to attracting young talent is providing a quality place to live and work. In fact, research shows that today's talent often prefers quality of life to wages as a determinant factor on where to locate.

Environment, Recreational opportunity, Diversity, Inclusiveness and Accessibility are the components of a quality place which can attract the type of talent needed to remain competitive in today's economy. The region's diverse ecological makeup, demographic diversity and mild climate offer something for everyone. From the bay to city living, our port region offers year round recreation.

Residents of our region arguably live better than anyone in the country. In the metropolitan area, the port region's cost-of-living advantage is most pronounced. With a low cost of living, relatively inexpensive housing and median income slightly above national levels, residents of the port region literally get more value for the investments than most Americans.

Even though parks and green space abound in the port region, the area continues to be cited for poor aesthetic appeal, unattractive land use, negative external image, and other diminishing quality of life factors perceived to be occurring.



All Rights Reserved

Last Revision: September 30, 2009, Version 21

Continued: **Situational Assessment (Area Overview) - Section 4**

Continued: CURRENT CONDITION – Economic Scan

This page and the following three pages contain profiles of each community within the Port Region that utilize the Economic Alliance services.

City of Baytown

Population Approximately 70,000 residents

Sales Tax 8.25%

Baytown residents pride themselves on offering southern hospitality with “Texas” flair. Waterways around the area provide fine fishing (fresh and saltwater) and bird-watching opportunities. Known as one of the jewels in the crown of the oil and petrochemical-rich Gulf Coast, the City of Baytown is closely tied with its manufacturing community. Hurricane Ike brought significant property damage.

Channelview Community

Population Approximately 35,000 residents

Sales Tax 6.25%

Channelview is known as a friendly community located approximately 18 miles east of downtown Houston on Interstate 10. Citizens take pride in family life and especially their Channelview Independent School District. This unincorporated Harris County community’s economy is highly dependent upon one of LyondellBasell Inc.’s largest petrochemical manufacturing complexes in the port region.

City of Deer Park

Population Approximately 30,000 residents

Sales Tax 7.25%

Deer Park residents enjoy a homey small town atmosphere even while residing minutes away from the fourth largest city in the nation. The city is located approximately 20 miles southeast of Houston and approximately 50 miles north of the Gulf of Mexico.

Houston East End Community

Population Approximately 100,000 residents

Sales Tax 8.25%

The “East End – Harrisburg” area is historic, bursting with business and residential development reminiscent of the rapid growth following John Harris’ founding of Harrisburg in 1826. Development of lofts and town homes are attracting professionals seeking relief from long drives to work or entertainment in downtown Houston.



Continued: **Situational Assessment (Area Overview) - Section 4**

City of Galena Park

Population Approximately 11,000 residents

Sales Tax 7.25%

Galena Park residents are proud of their small town atmosphere coupled with big city conveniences. Commuting to downtown Houston takes fewer than 20 minutes. The Galena Park ISD and San Jacinto College District work closely with the city and civic groups to nurture a positive environment. Hurricane Ike brought significant property damage.

City of Jacinto City

Population Approximately 10,000 residents

Sales Tax 7.25%

Jacinto City is bordered on the north by Interstate 10 and on the south by the City of Galena Park. This community has a stable residential population and is approximately 2.5 square miles. The City recently finished construction on a new Town Center and City Hall.

City of La Porte

Population Approximately 34,000 residents

Sales Tax 8%

The City of La Porte is located adjacent to Galveston Bay and blends a romantic history of early Texas with an industrial setting and bay recreation. The city's Main Street is included in the State of Texas Main Street Historical Program. Hurricane Ike brought significant property damage.

City of Morgan's Point

Population Approximately 350 residents

Sales Tax 8.25%

Known for its bird sanctuaries, Morgan's Point is historically significant for being founded by Colonel James Morgan, a key figure who helped with the formation of the Republic of Texas. The Port of Houston's Barbour's Cut Terminal is located on the north side of the city and historic homes on the south side. Hurricane Ike brought significant property damage.



Continued: **Situational Assessment (Area Overview) - Section 4**

North Shore Community

Population Approximately 120,000 residents

Sales Tax 8.25%,

By the metro, 8.25%, Elsewhere 7.25%

Comprised of several smaller neighborhoods, this unincorporated area of Harris County has exploded in population in the last 30 years as a large suburban residential area. While its history is relatively brief, it has developed a recognized name. North Shore area citizens enjoy a large pavilion constructed by the North Shore Rotary for civic activities and celebrations.

City of Pasadena

Population Approximately 150,000 residents

Sales Tax 8.25%

Pasadena has proven to be fast growing with a manufacturing base. The city has worked diligently to enhance quality of life amenities and improve its image. A large convention center draws weekend venues and visitors to the area.

City of Pearland

Population Approximately 90,000 residents

Sales Tax 7.75% in Fort Bend County, 8.25% in Brazoria County

The City of Pearland has been a member of the port region communities' economic development efforts for 20 years, citing their citizens' commute to the ship channel jobs and its commerce as a contributing factor to the housing development greenbelts in Pearland. With abundant land and business facilities, sound infrastructure and a diverse workforce, this city is a "booming" suburb in the Greater Houston Metropolitan area.

City of Seabrook

Population Approximately 11,000 residents

Sales Tax 8.25%

The City of Seabrook is nestled next to Galveston Bay and offers thriving bay recreational amenities for families. Community is home to astronauts, scientists and other professionals who work at the nearby Johnson Space Center or in technical manufacturing jobs of the ship channel. Hurricane Ike brought significant property damage.



Continued: **Situational Assessment (Area Overview) - Section 4**

Sheldon Community

Population Approximately 2,000 residents

Sales Tax 8.25%

This community is located on U.S. Highway 90, east of the Sheldon Reservoir and Wildlife Management Area. This unincorporated community was established in the early 1960's and named for a railroad executive. With a cordial small town atmosphere, the community rallies around its school district as a point of common interest.

City of Shoreacres

Population Approximately 1700 residents

Sales Tax 7.25%

This city evolved from developments of residential homes designed with plenty of windows to capture bay breezes. The oldest yacht club in Texas is located here. The city is challenged in the years ahead to maintain its resort-like atmosphere after sustaining significant property damage from Hurricane Ike.

South Belt-Ellington Community

Population

Sales Tax

Approximately 39,000 residents

8.25%

Like the City of Pearland and other communities which are not on a ship channel artery, the South Belt-Ellington community has participated a member of the port region communities' economic development efforts for 20 years, Part of the aviation corridor of the Gulf Coast, the South Belt-Ellington community is much like a city within Houston. It supports its own hospital, community college campus, senior citizens' centers, community-focused newspaper, two libraries, a funeral home and a wide variety of churches. The community rallies through its Chamber of Commerce.

City of South Houston

Population Approximately 17,000 residents

Sales Tax 8.25%

In close proximity to Hobby Airport, the City of South Houston is most easily accessed from Interstate 45. This community was once a working oil field and is unique. A prior mayor owned a circus here and his elephants were used to build a key south east Harris County corridor – Spencer Highway. The community rallies around its city government and chamber of commerce for civic interaction, in addition to its schools that are part of the Pasadena Independent School District.



All Rights Reserved

Last Revision: September 30, 2009, Version 21

Continued: **Situational Assessment (Area Overview) - Section 4**

4.04 - TARGETED INDUSTRIES (Growth areas and the related challenges)

One key target industry targeted for growth in the Houston Port Region is referenced in this plan as our Energy Industries.

➔ **Energy Industries** – This commerce is generally defined (and categorized for this economic development strategic plan) as consisting of the production and transportation of primary energy and is currently closely tied to the oil and natural gas industries.

The **Energy Industries** in the port region support closely-tied and distinct niche industries including, but not limited to:

- Petroleum energy production
- Support services and machinery for producing petroleum-based energy and products
- Building and operating pipelines for transporting petroleum or natural gas products
- Petrochemical and plastics products
- Utilities
- Alternative energy industry
- Advanced manufacturing

Asset and Infrastructure Justifications for Targeting this Industry Cluster

- The port region communities of Harris County Precinct Two are the heart of county's energy production capabilities and are home to the Port of Houston, one of the largest and most productive facilities of its type in the world.
- This port region commerce is located close to Hobby Airport and Bush Intercontinental, allowing for national and international business travel.
- As home to one of the largest energy complexes in the world, Precinct Two has both the energy infrastructure and the skilled workforce that companies are looking for in the Energy Industry.
- The Port of Houston is an important distribution point for the equipment alternative energy companies need to operate, including wind turbines, solar panels, etc.

Research and Development Justifications for Targeting this Industry Cluster

- As the center of a number of oil refineries, the port region is also the center of much of the research and development that takes place in these companies.
- Some companies along the Houston Ship Channel are now exploring alternative energy sources, and are applying their research capabilities to that task.



Continued: **Situational Assessment (Area Overview) - Section 4**

Continued: TARGETED INDUSTRIES (Growth areas and the related challenges)

One key target industry targeted for growth in the Houston Port Region is referenced in this plan as our Maritime Industries.

➔ **Maritime Industries (Logistics/Distribution)** – This commerce is generally defined (and categorized for this economic development strategic plan) as consisting of the distribution of products, with the focus upon transportation systems connecting with port-related facilities.

The **Maritime Industries** in the port region support closely-tied and distinct niche industries including, but not limited to:

- Warehousing
- Food processing and related cargo handling (i.e. coffee)

Asset and Infrastructure Justifications for Targeting this Industry Cluster

- Some of the world's largest sea shipment carriers, terminal storage, and distribution and logistics companies have a presence in Harris County.
- Panama's decision to expand the Panama Canal will undoubtedly benefit this important sector.
- Logistic access to energy facilities is advantageous and competes globally.

Workforce Development Justifications for Targeting this Industry Cluster

- San Jacinto College District and Lee College can help prepare the workforce for jobs.



Continued: **Situational Assessment (Area Overview) - Section 4**

Continued: TARGETED INDUSTRIES (Growth areas and the related challenges)

One key target industry targeted for growth in the Houston Port Region is referenced in this plan as our Heritage Tourism Industries.

➔ Heritage Tourism

In 2002, economist Dr. Ray Perryman of The Perryman Group issued a study of the state's economic potential, "Texas, our Texas: An Assessment of Economic Development Programs and Prospects in the Lone Star State." Speaking directly to our region's economic diversity, Dr. Perryman proposed that the Gulf Coast region offers more potential growth sectors than any other region of the state.

The following growth sectors are identified by Perryman as target industry clusters for the port region:

- **Tourism Cluster**

Asset Justifications for Targeting this Industry Cluster

The University of Houston and the National Parks Service's studies indicate that a niche clustering of assets in the port region, if marketed appropriately, could bring heritage tourists to the area. Assets such as the Battleship Texas, San Jacinto Battleground, Hobby Airport and the Bayport Cruise Terminal are all within a 20 minute drive. Tourism niche assets have access to the Bayport Cruise Terminal and the nearby NASA.

Economic Justification for Targeting this Industry Cluster

Diversification of commerce is a unique challenge with the massive infrastructure of the core energy and maritime logistics industries within the port region. This is one industry target cluster that could bring external revenues, while building a more positive image that will attract future workforce.



Continued: **Situational Assessment (Area Overview) - Section 4**

4.05 - ECONOMIC RESOURCES

The communities profiled in this document are demonstrating a trend to support Proactive Economic Development Approaches, utilizing multi-community organizations such as the Economic Alliance as well as individual communities themselves.

As noted in the H-GAC plan⁴, many of our port region communities have adopted tax abatement policies, enterprise zone designations, and other assistance programs to assist in their efforts of expanding tax bases and increasing employment opportunities.

Most of the Houston Port Region communities, when allowed by law, are utilizing sales taxes to promote development, through the creation of development corporations as detailed in a table on the next page. Further information on Economic Development Sales Tax can be found in the Attorney General’s Handbook on Economic Development Laws for Texas Cities, which is available at www.oag.state.tx.us.

- The majority of economic development contracts between the Economic Alliance and its contractual cities are executed and funded by these development corporations.

Economic Development Sales Tax Initiatives for Eligible Cities within the Houston Port Region

<u>City</u>	<u>4A or 4B Legislative Process</u>
La Porte	4B
Morgan’s Point	4B
Pasadena	4B
Pearland	4B
Seabrook	4B
South Houston	4B
Deer Park	is in the process of organizing election 4B

- It should be noted that large portions of the Economic Alliance service region north of the ship channel are unincorporated or if incorporated, not eligible by law to utilize this sales tax economic development tool.



Continued: **Situational Assessment (Area Overview) - Section 4**

4.06 - How can we summarize the impact of 2008 Hurricane Ike?

Detailed impact provided at Harris County Community Services Department website at:

http://www.hctx.net/cmpdocuments/103/ike/harris_county_damage_assessment_ike.pdf



Continued: **Situational Assessment (Area Overview) - Section 4**

4.07 – How has and can the Economic Alliance continue to work with other entities with Hurricane Ike Disaster Recovery?

The Economic Alliance Action Plan calls for working closely with H-GAC to continue seeking funding for businesses to recovery. The next section of this page and the following two pages provide information about the effort that the Economic Alliance has and will continue to support, communicate and forward to businesses and communities.

Disaster Recovery Funding (source: 2005-2008 Gulf Coast Economic Development District Comprehensive Economic Development Strategy)

Following the wake of Hurricane Ike, one of the most destructive storms in U.S. History, the GCEDD Region **(including the Houston Port Region communities)* is faced with massive community and economic recovery challenges. The Governor's Texas Rebounds report (November 2008) states that the State suffered billions of dollars in damage and loss to infrastructure, housing, and social services. Substantial funding is becoming available to help address our communities housing, infrastructure and economic development needs.

To assist the Nation in recovering from the natural disasters of 2008, Congress has authorized \$400 million in disaster Recovery funding to The Department of Commerce Economic Development Administration and \$6.2 billion in Community Development Block Grant Funding to the Housing Urban Development (HUD).

The flow of EDA funding from Washington to the local communities is currently being developed. EDA funding may be directed to the EDA regional offices or may be distributed as a grant to the State. Regardless of which path, EDA is encouraging impacted communities to familiarize themselves with the EDA application process and to begin identifying infrastructure projects that would improve current infrastructure and make their community more resilient when future disasters strike the region.

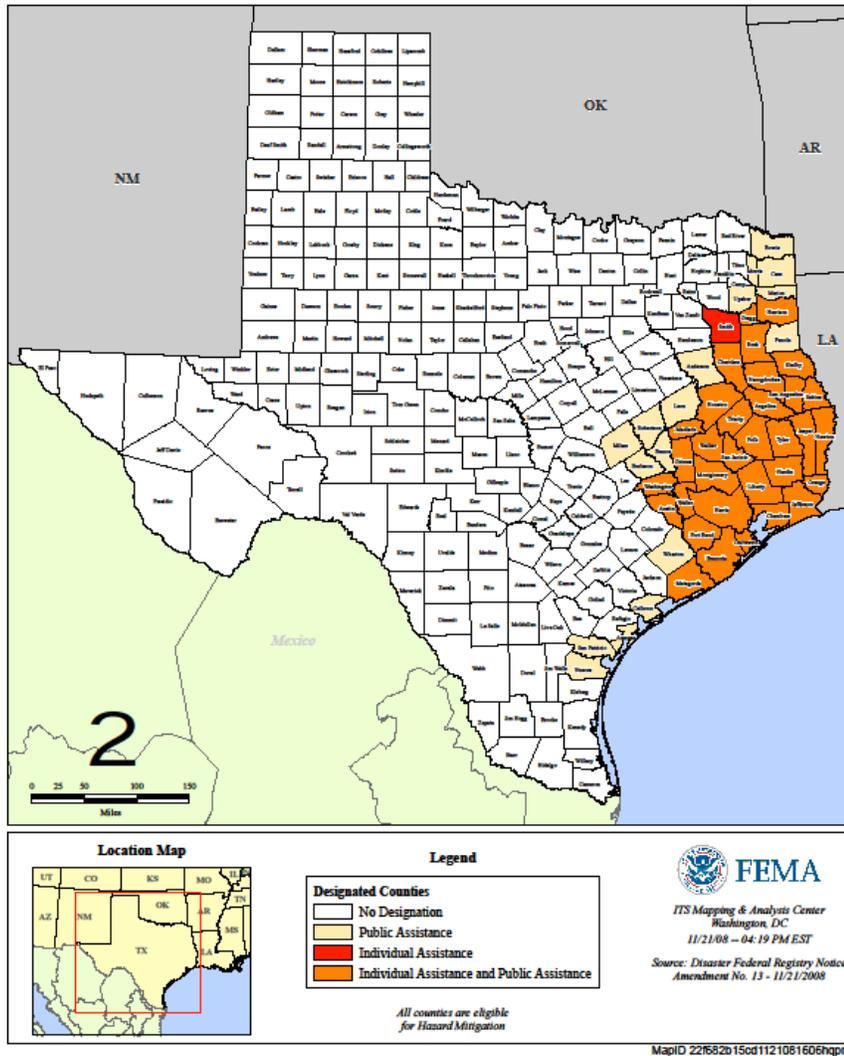
On November 26, 2008 HUD announced the first allocation of 1/3 of the \$6.2 billion in CDBG funding. HUD allocated \$1.3 billion of the \$2.1 to the State of Texas. The State has assigned the Office of Rural Community Affairs (ORCA) as the lead agency to administer the CDBG disaster recovery funding with support from the Texas of Housing and Community Affairs. ORCA drafted an Action Plan in early December 2008 which includes allocations of the \$1.3 billion based on FEMA damage reports. The current allocation would direct over \$814 million (77%) to the H-GAC region. These funds can be used to address housing, infrastructure and economic development needs associated with the impacts of Hurricane Ike and Hurricane Dolly.



Continued: **Situational Assessment (Area Overview) - Section 4**

Continued: Disaster Recovery Funding (source: 2005-2008 Gulf Coast Economic Development District Comprehensive Economic Development Strategy)

**FEMA-1791-DR, Texas
Disaster Declaration as of 11/21/2008**



Vision, Goals, Objectives and Strategies - Section 5

This section provides the roadmap to address questions such as “Where do we want to be in the next three years?” and “What is the most effective and highly visible way to position our port region for the next two decades?” Here you will learn the regional leaders’ overall vision that has stimulated a series of goals, objectives and strategies.

“Where do we want to be in the next three years so we are prepared for the next ten to twenty years?”

5.00 - Our Economic Alliance agreements that capture our stakeholders’ combined Mission, Vision, Values and Strategic Approach grew from an extensive consensus building process in 2004. These agreements continue to drive the operations of the Economic Alliance and are displayed in the main hallway as a compass and “process check” for all activities.

5.01 - Our mission is clearly stated in one sentence: We exist (as an alliance) to market and grow a vibrant regional economy.

5.02 - Funding the Economic Alliance to administer this mission was the overriding signal of the commitment of all the stakeholder groups. Each group agreed to pay their “fair share” for the following reasons:

1. All stakeholder groups agreed that some economic activities cannot be effectively accomplished alone.
2. All stakeholder groups agreed that if the region as a whole is better positioned economically, then all groups benefit. Simply stated: “all boats float with the rising tide.”
3. All stakeholder groups agreed that in light of a new age of global competition, the port region should **combine efforts to retain** key industries that have provided commerce and jobs for decades in the region. It is widely accepted and documented that communities are more likely to retain and expand existing business investments, rather than relocate. Other Questions included: *What are the emerging issues that impact investment decisions of the energy, refining and petrochemical companies’ investment decisions?*
 - Early on analysis supported the selection of three key target industry sectors: 1) energy (manufacturing) 2) maritime (international trade/logistics) 3) heritage tourism for marketing our unique Texas heritage - San Jacinto.



Continued: **Vision, Goals, Objectives and Strategies - Section 5**

4. All stakeholder groups agreed that the port region should **combine efforts to market** the opportunities of the port region to grow commerce and attract the future skilled workforce, and that an effective education system is critical.
5. All stakeholder groups agreed that if united, the region could be a **significant force in the public policy decision-making arena.**

5.03 - “Share”

Once agreement was reached on the value of a coalition, the hard process began for defining each stakeholder group’s fair share.

- Chambers of Commerce agreed to fund the Economic Alliance at a rate of \$1 per member of their organizations. Larger chambers with hundreds of members were required to invest more, but in proportion to their membership size.
- Cities in the port region agreed to fund the Economic Alliance using an index system that relied upon both population and sales tax revenues metrics to determine funding levels. The formula also accommodates multi-county jurisdictions.
- Private businesses agreed to fund the Economic Alliance based upon the levels of size, proprietorship, corporation (one operation site), and stakeholder (more than one operation site).



The Mission, Vision, Values and Strategic Approach (which are presented on the next pages of this section) are the tools that provide game rules for implementing projects among groups which may compete with one another from time to time on projects.



Continued: **Vision, Goals, Objectives and Strategies - Section 5**



5.04 - Our Mission:

We exist to market and grow a vibrant regional economy.

5.05 - Our Vision:

We will accomplish our mission to market and grow a vibrant regional economy; we must strategically, as a non-profit organization:

- Clearly identify and prioritize regional needs
- Implement systematic processes and initiatives to address the targeted needs
- Strategically obtain and leverage adequate resources to accomplish our mission
- Aggressively recruit our entire region's expertise to systematically work through volunteer committees and councils to accomplish our mission and strategies

We envision that we will lead our community region to:

- Retain and expand current business and economic strengths
- Grow both the number and quality of targeted new employment opportunities
- Continuously improve our quality of life and assets so that companies are drawn to our region as an incentive for their employees and that tourists can aggressively visit our region



Continued: **Vision, Goals, Objectives and Strategies - Section 5**

5.06 - Our Values:

- **We value** the people of our region as human beings deserving of opportunities to afford livelihoods for themselves and their families, and a quality of life which provides security, education, safety, health and cultural enhancements.



- **We value** the resources entrusted to us and therefore shall build accountability into our operations by identifying clear, measurable initiatives which support our mission and strategies; and conducting our actions in an ethical and independent manner.
- **We value** free-market competition among our members as a means to continuously improve our region as a whole, while remaining independent and impartial to the process.
- **We value** our collective strength as a regional alliance and shall work to constructively advocate and lobby for our targeted needs within the government and/or community action process.
- **We value** our creative, diverse leadership and shall remain respectful of each other's views, beliefs, and opinions so that we may effectively work together to successfully accomplish our common goals and vision.

Continued: **Vision, Goals, Objectives and Strategies - Section 5**

Bringing the pieces together and forward.....

5.07 - Four Categories of Goals of this 2009 – 2011 Plan have been brought forward from the prior plan and adapted as still relevant to the needs identified by the Economic Alliance Board of Directors and its public/private stakeholder groups.

5.08 - Goal Five was added in early 2009 at the strategic workshop retreat.

- A recap of the five categories of 2009 – 2011 Plan Goals and related Objectives and Strategies are provided in the remainder of this Section.
- The recommendations (Action Plan) to implement these goals and related Objectives and Strategies are provided in Section 6.
- The evaluation process to be used during implementation of the Action Plan is outlined in Section 7.



Continued: **Vision, Goals, Objectives and Strategies - Section 5**

5.09 - SUMMARY: Best Practice Operations Goals, Objectives, Strategies

Goal One

The Economic Alliance Houston Port Region will be considered a best practice operation, providing recognized value to its regional stakeholders.

Objective 1 Continuously Improve Organizational Systems and Effectiveness

Strategy 1 Search, identify and utilize enhanced processes, structures and tools to improve efficiencies and accountability in operating systems

Strategy 2 Clearly identify and prioritize regional sectors, opportunities, and needs

Strategy 3 Successfully implement systematic, realistic, measurable and aligned strategies that address targeted sectors, opportunities, and needs

Objective 2 Obtain Adequate Resources to Succeed

Strategy 1 Aggressively and creatively identify and utilize available resource avenues, both financial and in-kind

Strategy 2 Strategically leverage both internal and external resources



Continued: **Vision, Goals, Objectives and Strategies - Section 5**

5.10 - SUMMARY: Regional Business Retention and Expansion Goals, Objectives, Strategies

Goal Two

The Houston Port Region will proactively nurture a business-friendly environment that sustains and grows commerce and jobs.

Objective 1 Promote Business Retention for Target Sector Groups

Strategy 1 For the Small Business sector, identify and implement solutions to help provide counseling, tools, credit availability, and visibility with key sectors

Strategy 2 For the Energy Related (Manufacturing) sector, identify and implement solutions to help stimulate commerce, develop workforce and monitor public policy.

Strategy 3 For the Maritime (Trade and Logistics) sector, identify and implement solutions to help stimulate commerce, develop workforce and monitor public policy

Strategy 4 Per request by members and all of our key targeted sectors, identify and implement solutions to help improve transportation along key freight corridors in the region

Strategy 5

Continue working with communities, Harris County and H-GAC to help area recover from Hurricane Ike impact, including keeping open SBA Business Assistance Center and Loan Closing Center as long as possible in 2009



Continued: **Vision, Goals, Objectives and Strategies - Section 5**

5.11 – SUMMARY: Regional Commerce - Marketing Goals, Objectives, Strategies

Goal Three

The Port Region communities will be the premier location of choice for globally innovative businesses, offering quality of life and assets that draw skilled workers and visitors to our region.

Objective 1 Market our Region’s Strengths and Opportunities

Strategy 1 For Business Development, provide economic development marketing and facilitation that draws new businesses and helps existing businesses expand

Objective 2 Enhance the Image and Aesthetics of our Region

Strategy 1 For Heritage Tourism – Quality of Life assets, identify and implement ways to market our region’s heritage, while improving the aesthetic appearance of our major corridors as part of a quality of life and marketing image enhancement for the region.



Continued: **Vision, Goals, Objectives and Strategies - Section 5**

**5.12 – SUMMARY: Regional Public Policy
Goals, Objectives, Strategies**

Goal Four

Policy makers at local, state and federal levels will draw upon the port region communities as a strong, united voice during decision making processes and will look to the Economic Alliance Houston Port Region organization as a facilitation group and source of knowledge on issues impacting the port region economic and community development.

Objective 1 On a Timely Basis, Advocate and Educate Policy Makers about our Region’s Economic Development Projects, Programs and Issues of Benefit to the Port Region Communities

Strategy 1 Develop an effective system to monitor and bring issues impacting our key targeted economic clusters before members of the Economic Alliance Houston Port Region as they are evolving; then organize forums for communicating issues to decision makers.

Strategy 2 Engage content experts to participate in both building the system to monitor and to communicate issues

Strategy 3 Prioritize identified issues

Strategy 4 Create a Homeland Security Public Policy Sub Committee to monitor and educate decision makers about issues and opportunities, as directed at strategic workshop in February, 2009.



Continued: **Vision, Goals, Objectives and Strategies - Section 5**

5.13 - SUMMARY: Regional Education – Workforce Development Goals, Objectives, Strategies

Goal Five

The Economic Alliance Houston Port Region will provide a network and information exchange forum to help stimulate effective, innovative and collaborative education and workforce solutions and processes among education providers, public policy decision makers, employers and other stakeholder groups.

Objective 1 Help connect best practice education/workforce systems in the port region to stimulate efficiencies

Strategic 1 Engage a task force to help monitor and communicate issues

Strategy 2 Prioritize identified issues in preparation to educate policy decision makers



Continued: **Vision, Goals, Objectives and Strategies - Section 5**

5.14 – Mapping our Plan to Industry Standards and Other Regional Plans

Spreadsheet Available Upon Request for Detailed Viewing

Mapping Our Plan to Industry Standards, Harris County Other Regional Plans

INDUSTRY STANDARDS: Certification (BEDC) accredited by IEDC	Per	Economic Alliance Goal # 1	Economic Alliance Goal # 2	Economic Alliance Goal # 3	Economic Alliance Goal # 4	Economic Alliance Goal # 5	Compliments Harris County Plan	Compliments H-GAC Plan - Houston Technology Center
		Best Practice Operations -	Regional Retention-Expansion	Regional Commerce - Marketing	Regional Public Policy	Regional Education - Workforce		
Subsect	Ref #	Column 2 Cited as Deliverables in our City Contracts and/or by Our Board:	Column 3 Solutions Examples in our Strategic Plan:	Column 4 Solutions Examples in our Strategic Plan:	Column 5 Solutions Examples in our Strategic Plan:	Column 6 Solutions Examples in our Strategic Plan:	Column 8 Issues (and Actions) in Harris County Plan:	Column 9 Specific References:
Business Development								
(BD-1) Entrepreneurialism - Small Business								
Establish Ongoing Business Resources	BD-1.02	Economy & I&E	SSDC office				Re Recovery, Etc.	Sec. 3
Identify Businesses & their Needs	BD-1.02	Globalization Impact	PRESC				Pct. 2: Issues 6	Sec. 3
Incubator - Start-Up Space/Services	BD-1.03		SSDC office					Sec. 2 - also HTC
Conduit for Financial Assistance/Business	BD-1.04	Economy & I&E	ABC Power Procurement				Re Recovery, Etc.	EDA revolving loans
(BD-2) Retention & Expansion								
Recognition Programs - Appreciation	BD-2.01	Grow existing commerce	Business Year & Data				Throughout Plan	Sec. 3
Surveys & Results to Monitor Trends	BD-2.02	Globalization Impact	Studies & Data Bases				Pct. 2: Issues 6	Sec. 3
Program to Compete for Jobs	BD-2.03	Globalization Impact	New Business Task Force	New Business Task Force/Leads			Pct. 2: Issues 6	Sec. 3
(BD-3) Sector Focus: Traditional & Emerging - Key Texas Target Clusters:								
Advanced Technologies & Manufacturing								
Aerospace	BD-3.02	Infrastructure/Workforce		New Business Task Force/Leads			Pct. 2: Issues 1 - 6	
Defense	BD-3.03	Infrastructure/Workforce		New Business Task Force/Leads			Pct. 2: Issues 1 - 6	
Biotechnology and Life Sciences	BD-3.04			New Business Task Force/Leads				Sec. 2
Information Technology (IT)	BD-3.05			New Business Task Force/Leads				
Energy-Petroleum Refining-Chemical Products	BD-3.06	Infrastructure/Workforce	Leader Forum			IMEC	Pct. 2: Issues 1 - 6	Sec. 2
Nanotechnology	BD-3.07			New Business Task Force/Leads				
Telecommunications	BD-3.08			New Business Task Force/Leads				
Maritime - International Trade/Logistics	BD-3.09	Infrastructure/Workforce	Leader Forum	IMEC/Symposium/Leads		IMEC	Pct. 2: Issues 1 - 6	Sec. 2
(BD-4) Tourism								
Tourism/Film	BD-4.01	Niche: Republic/Ship/Energy		San Jacinto Texas Historic District			Pct. 2: Issues 6, etc.	Sec. 2
History/Heritage	BD-4.02	Niche: Republic/Ship/Energy		Project Stars Master Plan			Pct. 2: Issues 6, etc.	
Eco-tourism	BD-4.03	Green Space-nature parks		Project Stars Master Plan			Pct. 2: Issues 3, etc.	Sec. 2
Agri-tourism	BD-4.04							
Downtown Revitalization	BD-4.05	Wayfinding - aesthetic needs		Gateways			Pct. 2: Issues 3, etc.	Main Street Grants
Retail/Commercial	BD-4.06			New Business Task Force/Leads				
Community Development								
(CD-1) Leadership Development								
Leadership Base	CD-1.01	Influential constituency group		Board Directors/Task Force Leaders			Throughout Plan	Sec. 4
Formal Programs	CD-1.02	Influential constituency group			Legislative Events		Throughout Plan	
Civic Clubs/Chambers	CD-1.03	Influential constituency group		Chamber interaction			Throughout Plan	
(CD-2) Workforce Development								
Current Workforce	CD-2.01	Low-wages/drop-outs/image				GCPN - IMEC	Pct. 2: Issues 1,2,3	Sec. 4
Unemployed Potential Workforce	CD-2.02	Low-wages/drop-outs/image				GCPN - IMEC	Pct. 2: Issues 1,2,3	Sec. 4
Future Workforce	CD-2.03	Low-wages/drop-outs/image				GCPN - IMEC	Pct. 2: Issues 1,2,3	Sec. 4
(CD-3) Social Infrastructure								
Quality Government	CD-3.01	Influential constituency group		Public Policy Task Force			Throughout Plan	Sec. 4
Affordable Human Services	CD-3.02	Low-wages/drop-outs			Pretech2Gather		Pct. 2: Issues 1,2,3	Sec. 4
Cooperation & Collaboration	CD-3.03	Collaboration opportunities	Value	Value	Value		Throughout Plan	Sec. 1
(CD-4) Physical Infrastructure								
Basic Infrastructure	CD-4.01	Congested Corridors		Freight Corridor Work			Pct. 2: Issues 4	Sec. 4
Technology Infrastructure	CD-4.02							Sec. 2, also HTC
Beautification - Property Amenity/Image Value	CD-4.03	Industrial setting/poor image		Project Stars			Pct. 2: Issues 2	Sec. 4



ACTION PLAN!

Strategic Recommendations

- Section 6

This section identifies specific activities to propel our collaborated vision and goals.

6.00 - Action Plan

Based on the structure established by the goals and objectives, the Economic Alliance has developed an action plan formatted as a spreadsheet, with one year short term goals and three year goals.

The action plan spreadsheet is stored in a separate electronic file than this word document and must be accessed individually for section **6.02**.

Ongoing refinement will be made through task forces and other avenues, at least on an annual basis. See format sample below:

GOAL 01: OPERATIONAL EXCELLENCE									
THE ECONOMIC ALLIANCE HOUSTON PORT REGION WILL BE CONSIDERED A BEST PRACTICE OPERATION, PROVIDING RECOGNIZED VALUE TO ITS REGIONAL STAKEHOLDERS.									
OBJECTIVE 1: Continuously Improve Organizational Systems & Efficiency									
STRATEGY 1: Search, identify and utilize relevant processes, structures and tools to improve efficiency and accountability in our office system	BRIEF DESCRIPTION	FUND SOURCE	START DATE	COMPLETION DATE	COMPLETION DATE	STATUS	MILESTONES	RISK	NOTES
ACTION ITEM 1: To expand organizational knowledge and accountability, expand the analytical reporting system to include more staff involvement and expertise.	BRIEF DESCRIPTION: Process Manager, Project Review					On track	Complete for second three year term are completed with all operational activities. Start date targeted for end of 2009 with plan deadline by 12-31-2011.		
ACTION ITEM 2: Provide additional staff development to increase internal knowledge and expertise for employees with knowledge, financial, law and legal requirements.	BRIEF DESCRIPTION: Financial/HR					On track	Length of time to complete annual audit is improved by at least 20% over 2007 reporting function. Plan for office for improvement by 12-31-2011.		
ACTION ITEM 3: Utilize an efficient task force and shared resources which supports mission and strategies.	BRIEF DESCRIPTION: Financial/HR					On track	Costs for task force to be finalized and utilized by end of end of each year with plan deadline by 12-31-2011.		
ACTION ITEM 4: Identify improvements of human resources system that will improve staff efficiency and performance.	BRIEF DESCRIPTION: Project Review					On track	Start date targeted for end of 2009 with plan deadline by 12-31-2011. 100% of HR system completed the task force if improvement if completed by end of 2011.		
ACTION ITEM 5: Complete the IT Procedures Manual for access, hardware, software, internet and work systems are well documented and regularly updated for overall efficiency, staff process planning, organized data collection and storage, and financial accuracy.	BRIEF DESCRIPTION: Project Review					On track	Start date targeted for end of 2009 with plan deadline by 12-31-2011.		
ACTION ITEM 6: Develop a procedure and a budget annual for each employee's and define by high quality applications.	BRIEF DESCRIPTION: Financial/HR			EX	100%	On track	Start date targeted for end of 2009 with overall goal of no later than 12-31-2011.		
ACTION ITEM 7: Create a network-based system for email alerts, website updates and member data base to improve communication, member feedback, requests and access to services for members and projects.	BRIEF DESCRIPTION: Project Review			EX	EX	On track	Start date targeted for end of 2010 with plan deadline by 12-31-2011.		
ACTION ITEM 8: Review before and afterwards, identify and take approach for at least one organizational improvement.	BRIEF DESCRIPTION: Financial/HR	Bonus Expense		EX	EX	On track	Start date targeted for end of 2009 with plan deadline by 12-31-2011.		
ACTION ITEM 9: Implement an operational manual that helps staff work more effectively.	BRIEF DESCRIPTION: Financial/HR			EX	EX	On track	Start date targeted for end of 2009 with plan deadline by 12-31-2011.		
ACTION ITEM 10: Minimize obsolete, used equipment, office space and equipment.	BRIEF DESCRIPTION: Financial/HR			EX	EX	On track	Review office and equipment to ensure all used on annual basis to monitor ongoing issues so to identify opportunities. Review office directory for new member room.		
ACTION ITEM 11: Provide the influence impact of local, state and national.	BRIEF DESCRIPTION: Project Review			EX	EX	On track	Process change and update recommendations. Start date targeted for end of 2010 with plan deadline by 12-31-2011.		



Continued: **Action Plan – Strategic Recommendations - Section 6**

6.01 - Major Work Elements

As noted in the Executive Summary section of this plan major work elements are that consist heavily with long-term expectations that should be considered as ongoing, always with room for improvement and include:

TRANSPORTATION CORRIDOR AND LAND USE PLANNING (See also Tab Section 4)

- Will merge three Transportation and Land Use planning tools for which funding sources have been secured by Economic Alliance. Vetted as Precinct Two Issue #2, 3, 4, 6 in *HCEDSP*.
- In recap: during May, 2009, contract agreement was reached between Economic Alliance and Houston Galveston Area Council for nine Harris County cities and some unincorporated areas of Harris County to be included in a Transportation and Land Use Sub Regional Planning Initiative.
- The Economic Alliance is to provide approximately \$94,000 as a 20% match for the approximate \$800,000 funding from HGAC.
- The project is slated for completion by December 31, 2009.
- An additional second study related to corridor and freight congestion issues is planned to build upon the above project. The Economic Alliance is in the process of securing a partnering consulting group for the second study.

PROGRESS ON PROJECT STARS™

- Addresses poor image, blight, markets unique heritage, quality of life. Vetted also as Precinct Two Issue #2, #3 in Harris County Economic Development Strategic Plan (*HCEDSP*) This master plan helps address issues vetted in the Harris County Economic Development Strategic Plan (*HCEDSP*) - Precinct Two Issue #2, #3.
- During the spring, 2009, the website for the historic district has been enhanced. Videos and other materials have been added to the marketing website at: www.SanJacintoTexasHistoricDistrict.org
- Project Stars featured at Texas Capital during spring, 2009 as a best practice for public art at a conference for The Texas Commission for the Arts

INTERNATIONAL MARITIME AND ENERGY CENTER OF HOUSTON:

- Addresses workforce capability concerns for economic engines in ship channel. Vetted also as Precinct Two Issue #1 in *HCEDSP*.
- This plan calls for leveraging resources of a central facility to combine synergies that address workforce capability concerns for economic engines in ship channel.
- During the spring, 2009, the Port of Houston Authority committed a loaned executive, Mr. John P. Horan, to serve as full-time project manager for this effort.



Continued: **Action Plan – Strategic Recommendations - Section 6**

Continued - 6.01 - Major Work Elements

HURRICANE IKE ECONOMIC RECOVERY SERVICES:

- The Economic Alliance continued through mid May, 2009 to host an SBA Disaster Center that was opened days after Hurricane Ike hit. The Economic Alliance will continue hosting a SBDC office.
- The SBA approved the Economic Alliance as a Loan Closing Center that eventually would be the only such facility in Harris County left open until late May. More than **\$18 million** SBA loan transactions were conducted at the Economic Alliance office.
- **Disaster Recovery and Community Resiliency:** (Aligns with Gulf Coast Economic Development District proposed plan dated 2008 - 2009)

The Natural Disasters of 2008 have taken a massive toll on our local communities. In particular, Hurricane Ike's affect on local communities within the storm-surge zone is severe and the ripple effect on the regional economy is likely to be substantial. As state and federal agencies launch recovery programs designed to rebuild infrastructure and housing – taking time to also assess opportunities to harden critical infrastructure and re-enforce local economies will be critical to ensure long term recovery is successful.

Along with Harris County Precinct 2, Harris County Community Services Department and H-GAC and others, the Economic Alliance will continue to support the collaborative efforts of local communities to identify opportunities to increase community resiliency and to include economic development aspects into their recovery efforts and encourages them to pursue federal and state funding to support recovery projects.

COORDINATED EFFORTS TO KEEP BATTLESHIP TEXAS IN REGION

- Testimonies and data were provided for the Tourism Committee of the Texas House of Representatives, in addition to a hearing with the Texas Parks and Wildlife Commission.
- This is a culmination of 5 years of public policy education to obtain funding to keep and maintain this historic asset in Harris County. This work will continue by the Economic Alliance
- The Battleship Texas Foundation has only one employee and the Economic Alliance has been publicly honored by the Foundation leaders for assistance with public education and for providing data of the economic impact of maintaining the Battleship Texas in Harris County.



Continued: **Action Plan – Strategic Recommendations - Section 6**

6.02 – Action Plan Spreadsheet is Stored (and must be accessed) in Separate Electronic File



Evaluation Process – Section 7

“THAT WHICH GETS MEASURED GETS DONE!”

This section outlines the process the Economic Alliance will use to track and assess the effectiveness of the action plan activities as they are being implemented.

7.00 - Not a plan for the shelf!

A frustration routinely voiced in one-on-one conversations or group meetings in the last five years is best quoted: *“too many plans end up on someone’s shelf collecting dust”*.

7.01 - Our Evaluation Process steps shall be executed as follows:

1. On February 20, 2009: Communicate the Leadership intent that this Plan be an **evolving process**, continuously refined and meant to be flexible, while focused.
2. After February 20, 2009: Continue the staff’s process of identifying and **passing on** activities that do not directly support the strategies of the Plan
3. By February 20, 2009: Identification of **Critical Success Factors (CSFs)**
 - CSFs are identified and referenced in every section of this Plan
 - A comprehensive list of CSFs is provided below and also in a one page reference sheet located in the Appendix Section 8)
4. By mid-2009: Prudent selection of **metrics** that effectively gauge progress with the least amount of expenditure of administrative resources.
 - A point system based upon key actions is recommended for each Action Plan activity and will be the underlying data for an Evaluation Index Table that will be used to quantify progress. A clear, easily understand estimate of the % of completion is also recommended, with an easy color-coded reference that notifies busy directors and members that the actions are **“on track”** or **“need attention”**.



Continued: **Performance Evaluation Plan - Section 7**

5. Beginning mid-year 2009: Begin **Semi-annual evaluations** using pre-determined metrics
 - The % of completion (See prior Step 4) will be included in the Action Plan Spreadsheet that will be distributed at Economic Alliance Board of Director meetings.

6. Beginning mid-year 2009: The President/CEO of the Economic Alliance will review the semi-annual evaluation report plan with each employee during their mid-year **personnel performance review** meeting.
 - This is intended to help employees better understand their own individual affect on the Plan's success.
 - (Note: In 2007, each employee's goal setting process was organized by categories to mirror key strategic goal categories of the Economic Alliance.)

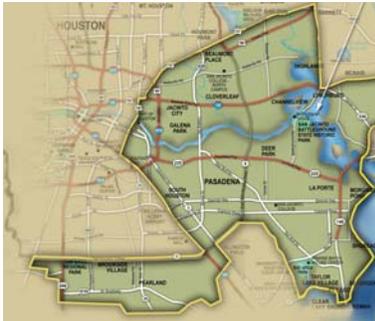
7. Beginning fall-year 2009: **Communicate results** of semi-annual evaluations to the Board of directors

8. Beginning year-end 2009: Inclusion of evaluation discussions on agendas of Task Force and/or Executive Board meetings if performance should be bolstered or if adjustments should be incorporated to the Action Plan.
 - Not every plan element will be implemented exactly as envisioned. Some events such as the current global economic decline that emerged in full force in 2008 at the same time Hurricane Ike surged directly into our region's residences and businesses simply cannot be predicted.
 - Any Plan **adjustments** should be sustainable, sensible and opportune.



Continued: **Performance Evaluation Plan - Section 7**

9. At year-end 2009 and continuing on annual basis: Publication of the evaluation results in the Annual Report of the Economic Alliance Houston Port Region



CSF #4- (CRITICAL SUCCESS FACTOR):

A positive, flexible organizational culture that uses systematic evaluation processes to expedite timely, appropriate plan adjustments and revisions is a critical success factor for growing and marketing a vibrant regional economy. (Our mission).

CSF #5-(CRITICAL SUCCESS FACTOR):

To avoid a worst case “self-fulfilling prophecy”, the Economic Alliance and the port region community leaders should remain aware that every action or communication (which shape internal and external perceptions) is better served with a vibrant tone throughout the economic downturn, as opposed to a defeated tone.



Appendix Information - Section 8

This section is a collection of other helpful research or documentation intended to supplement the strategic plan and help provide context for users of the plan. Attachments include:

ATTACHMENT #1 -
STRATEGIC PLAN ELECTRONIC STORAGE LOCATION and REVISION INFORMATION

ATTACHMENT #2 -
REFERENCED FOOTNOTES WITHIN THIS PLAN

ATTACHMENT #3 -
LIST OF CRITICAL SUCCESS FACTORS FOR THIS 2009 – 2012 PLAN

ATTACHMENT #4 -
CALENDAR OF EVENTS LINKED TO STRATEGIC PLAN AREAS



Continued: **Appendix Information - Section 8**

**ATTACHMENT #1
STRATEGIC PLAN ELECTRONIC STORAGE LOCATION and REVISION
INFORMATION**

Adoption Date:

- Slated for February 20, 2009 - pending

Revision Dates:

- None at this time

Electronic File Name:

AllianceFormalStrategicPlanv2009_2012v1.doc

Electronic Folder Storage:

J:\A_Strategy_AllianceOperations_Annual_Report_Strategy_Brochures\2009



Continued: **Appendix Information - Section 8**

**ATTACHMENT #2
REFERENCED FOOTNOTES WITHIN THIS PLAN**

Footnote #1: Houston – Galveston Area Council – Gulf Coast Economic Development District – 2005 Comprehensive Economic Development Strategy.

Footnote #2: Harris County Economic Development Strategic Plan, published in 2008.

Footnote #3: Harris County Economic Development Strategic Plan, published in 2008.



Continued: **Appendix Information - Section 8**

**ATTACHMENT #3
LIST OF CRITICAL SUCCESS FACTORS FOR THIS 2009 – 2012 PLAN**

CSF #1 CRITICAL SUCCESS FACTOR

The Economic Alliance manages contract services with minimal full-time staffing providing value to its members. Almost 93% of all revenues are estimated to be directly converted to service, making it critical that work is systemized and that all activities are focused on implementation of this strategic plan. A table is provided in Section 8 which links each event to either a strategic plan action and/or an activity deemed by Texas Economic Development Council to be a practice of Economic Excellence distinguished organizations.

CSF #2 CRITICAL SUCCESS FACTOR

In hind sight, we learned that the most critical factors that ensured success of our five year strategic plan were:

- Information gathering
- Consensus building
- Flexibility
- And Persistence

CSF #3 CRITICAL SUCCESS FACTOR

In order to combine synergies, while avoiding disjointed activities and wasteful resource allocation, alignment with economic development strategies of our individual communities, Harris County and H-GAC (Houston-Galveston Area Council) is considered a Critical Success Factor for this plan. Each activity in the Action Plan found in Section 7 has a checkmark to indicate when the activity also links to other regional plans.

CSF #4 CRITICAL SUCCESS FACTOR

A positive, flexible organizational culture that uses systematic evaluation processes to expedite timely, appropriate plan adjustments and revisions is a critical success factor for growing and marketing a vibrant regional economy. (Our mission).

CSF #5 CRITICAL SUCCESS FACTOR

To avoid a worst case "self-full-filling prophecy", the Economic Alliance and the port region community leaders should remain aware that every action or communication (which shape internal and external perceptions) is better served with a vibrant tone throughout the economic downturn, as opposed to a defeated tone.



Continued: **Appendix Information - Section 8**

ATTACHMENT #4
CALENDAR OF EVENTS (as of 2-18-09) LINKED TO STRATEGIC PLAN AREAS
Goal: Tied to Strategic Focus – Limited to 1.5 per month

E-Board/General Board and General Membership Meetings	EE (Economic Excellence)
Coffee Symposium	R (Retention)
Project Stars Events	M (Marketing)
Maritime Leaders Forum Luncheons	R (Retention)
Energy (Manufacturing) Leaders Forum Dinners	R (Retention)
Power Breakfasts - Small Business	R (Retention)
Commercial Real Estate Event	M (Marketing)
Mayors Advisory Council Events	PP (Public Policy)
Chamber Presidents Advisory Council Luncheons	PP (Public Policy)
Port Region Business Networking Women's Forum	R (Retention)
TEDC or IEDC Conferences	EE (Economic Excellence)
Team Texas or Texas One Events	EE (Economic Excellence)
National Maritime and Energy Center Events	R (Retention)
Transportation Related Events	R (Retention)
Legislative Events	PP (Public Policy)
P.R.E.S.S. Education Luncheons	R (Retention)
Air Quality Events	PP (Public Policy)
Harris County Education Forums	PP (Public Policy)

Total Events for the Year

18

