



Economic Outlook Forum

Economic Forecast: Is there life after Harvey?

March 23, 2018

Bobby Lieb, Director of Economic Development

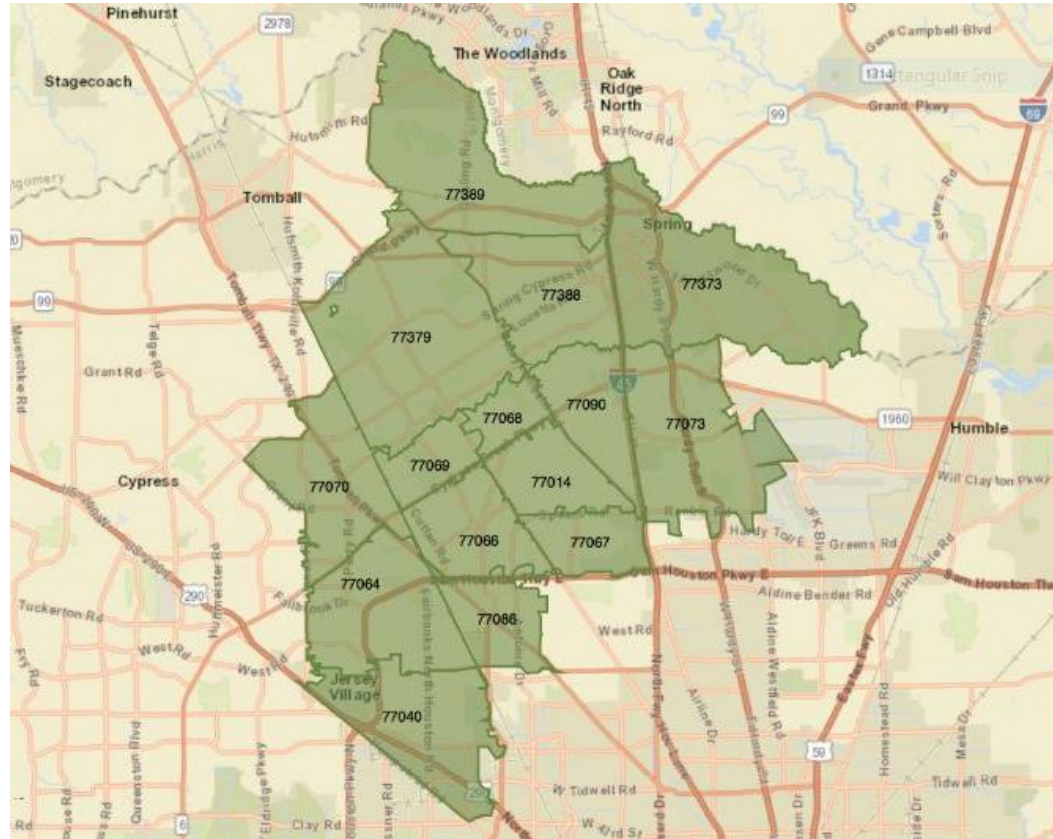
Grow Northwest / Houston Northwest Chamber of Commerce



Houston Northwest Service Area Profile

- ▶ 15 zip codes
- ▶ 190 sq. miles
 - ▶ = City of Albuquerque, NM
- ▶ 626,878 population
 - ▶ 13.4% of Harris County Population
 - ▶ 60,000 > Albuquerque
- ▶ 277,108 employed

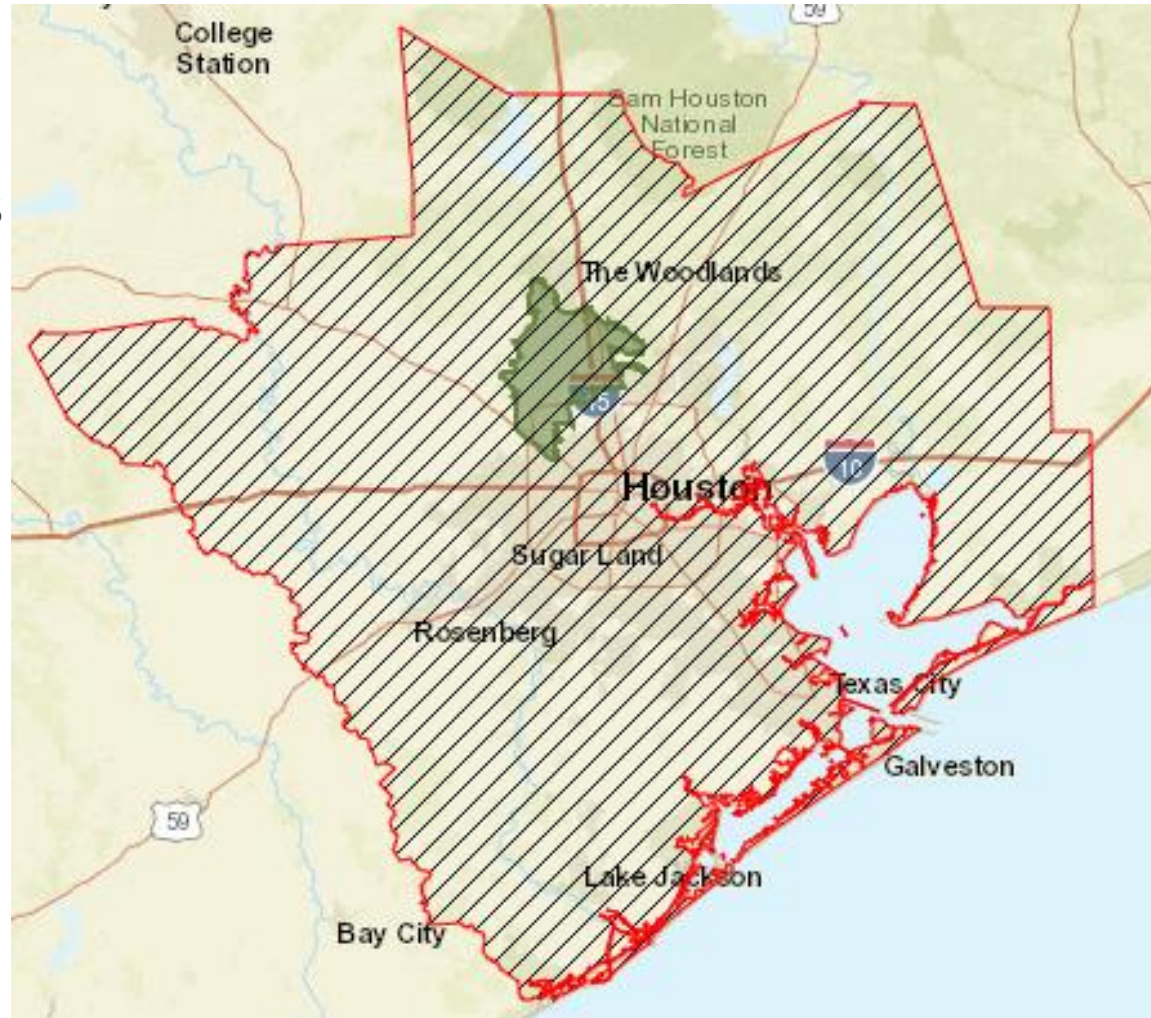
source: 2017 ESRI & JobsEQ 2017Q3

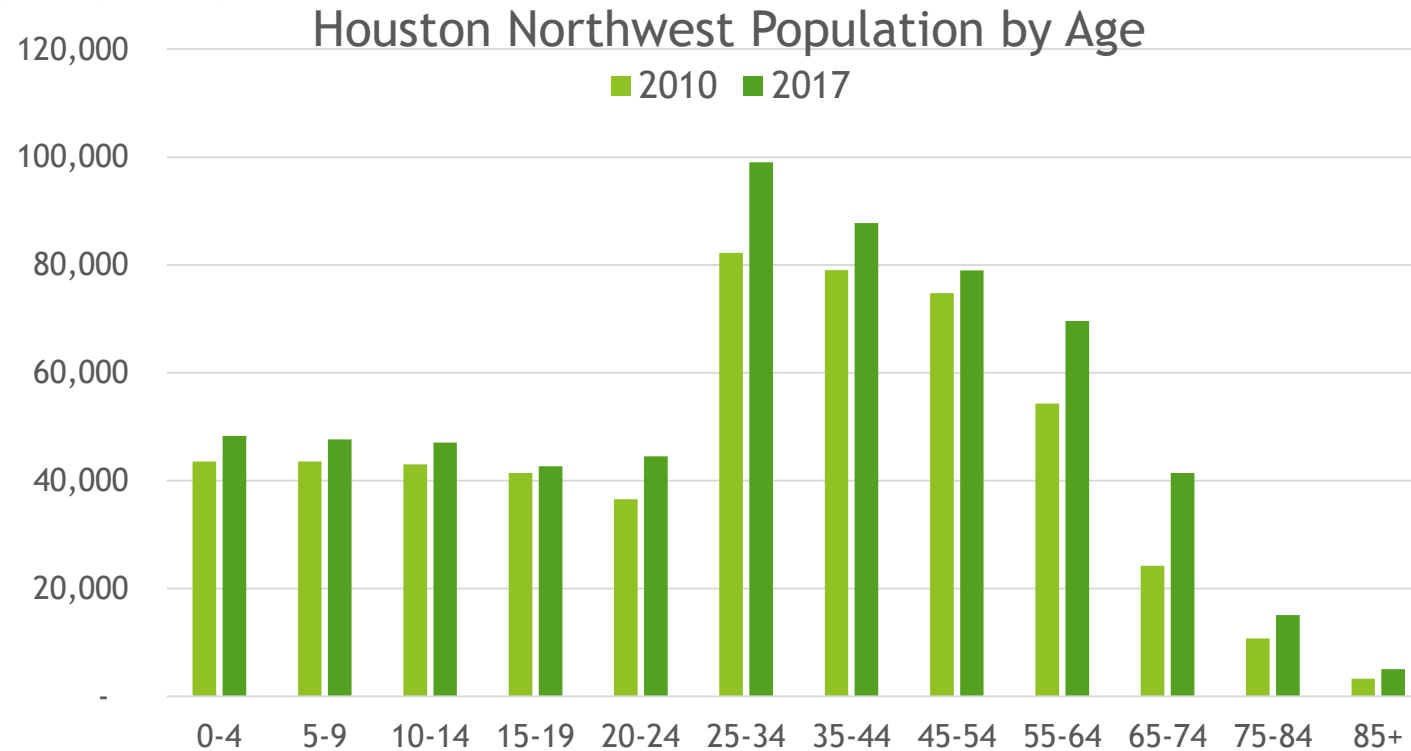


Houston Metro (Houston-The Woodlands-Sugarland Metropolitan Statistical Area)

- ▶ 10,062 sq. miles
- ▶ Approx. size of Massachusetts
- ▶ 9 Counties
- ▶ 6,772,470 population
- ▶ 5th most populous MSA in U.S.

Source: US Census Bureau



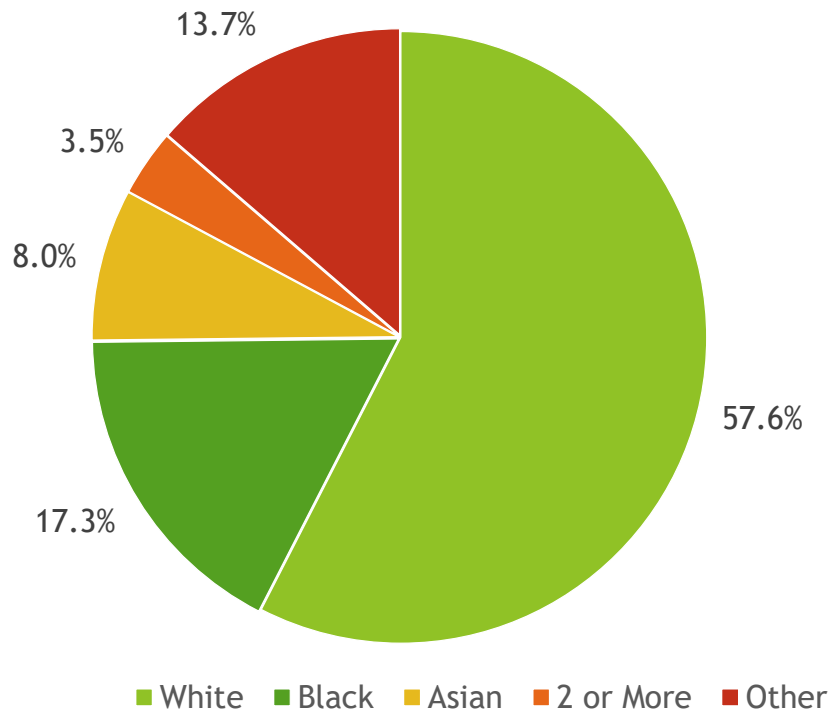


	CAGR 2010-17	Median Age
Houston Northwest	2.6%	33.4
Houston Metro	2.6%	34.3
Texas	1.9%	34.6

Source: ESRI 2017

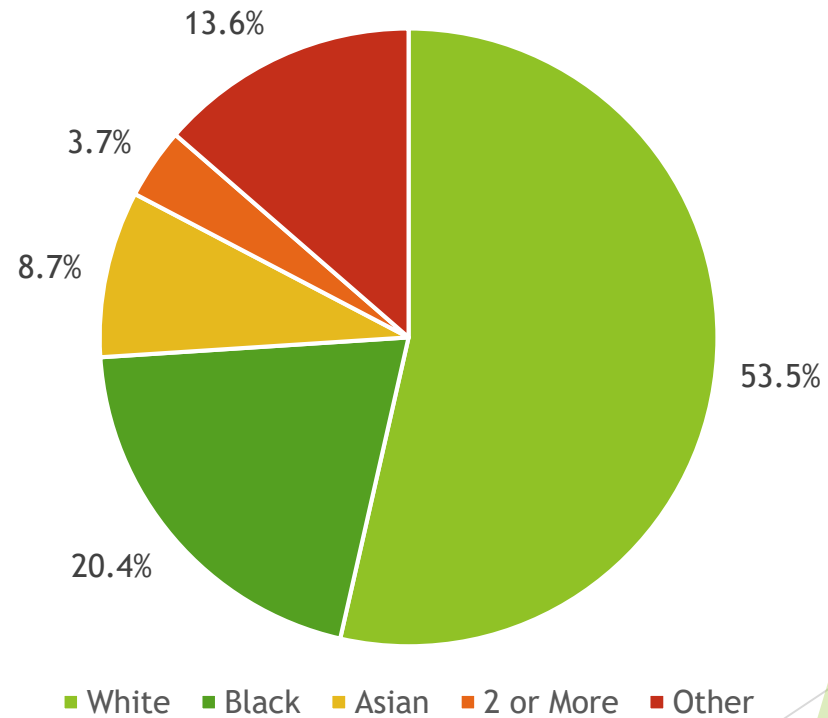
Demographics

Houston Metro



37.2% Hispanic in origin
80.4 Diversity Index

Houston Northwest



34.8% Hispanic in origin
81.6 Diversity Index



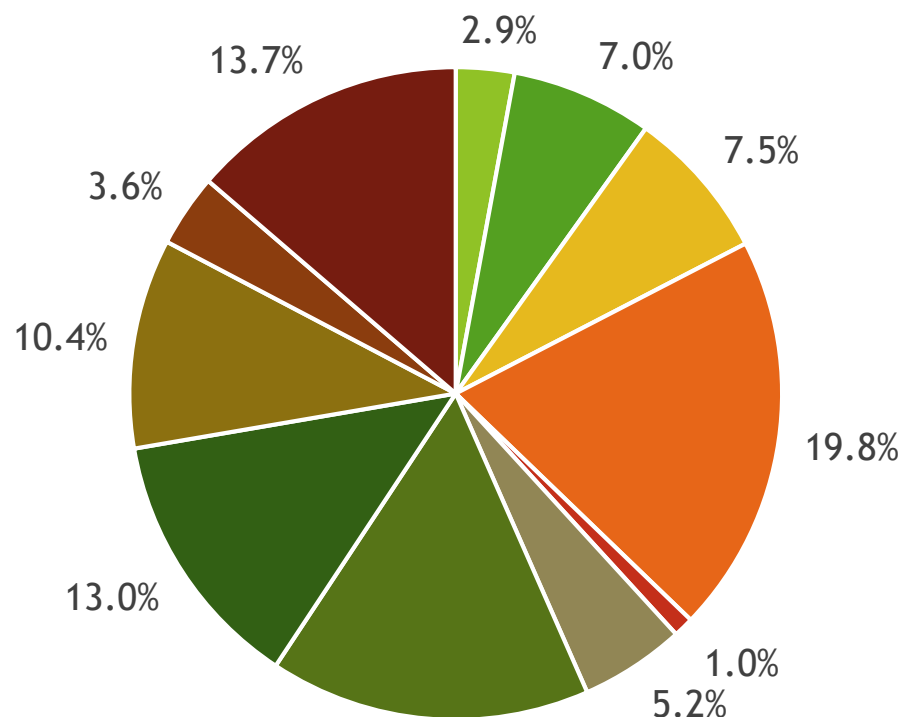
Demographics

	Median HH Income	% of Home Ownership	Median Home Value
Texas	\$56,247	55%	\$160,980
Houston Metro	\$63,212	55%	\$180,120
Houston NW	\$66,968	57%	\$166,531
77067 - NW	\$40,056	37%	\$109,900
77379 - NW	\$102,143	76%	\$237,900

Source: ESRI 2017

Employment by Industry

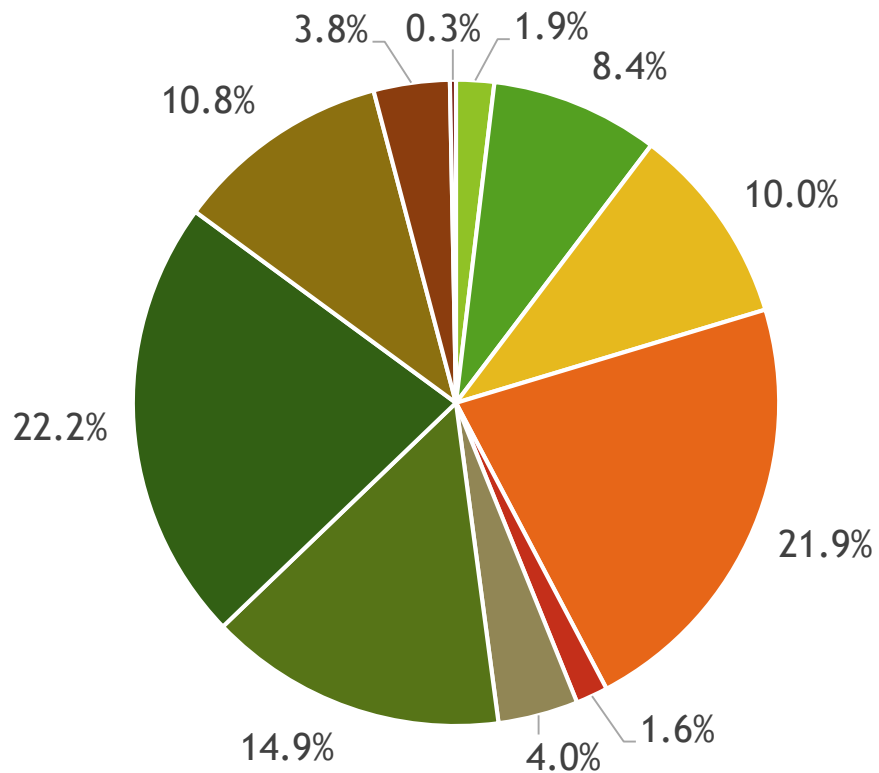
Houston Metro



- Mining, Oil & Gas Extraction
- Trade, Transportation & Utilities
- Professional & Business Services
- Other Services

- Construction
- Information
- Education & Health
- Government

Houston Northwest



- Manufacturing
- Financial Activities
- Leisure & Hospitality

Source: JobsEQ 2017Q3 & GHP

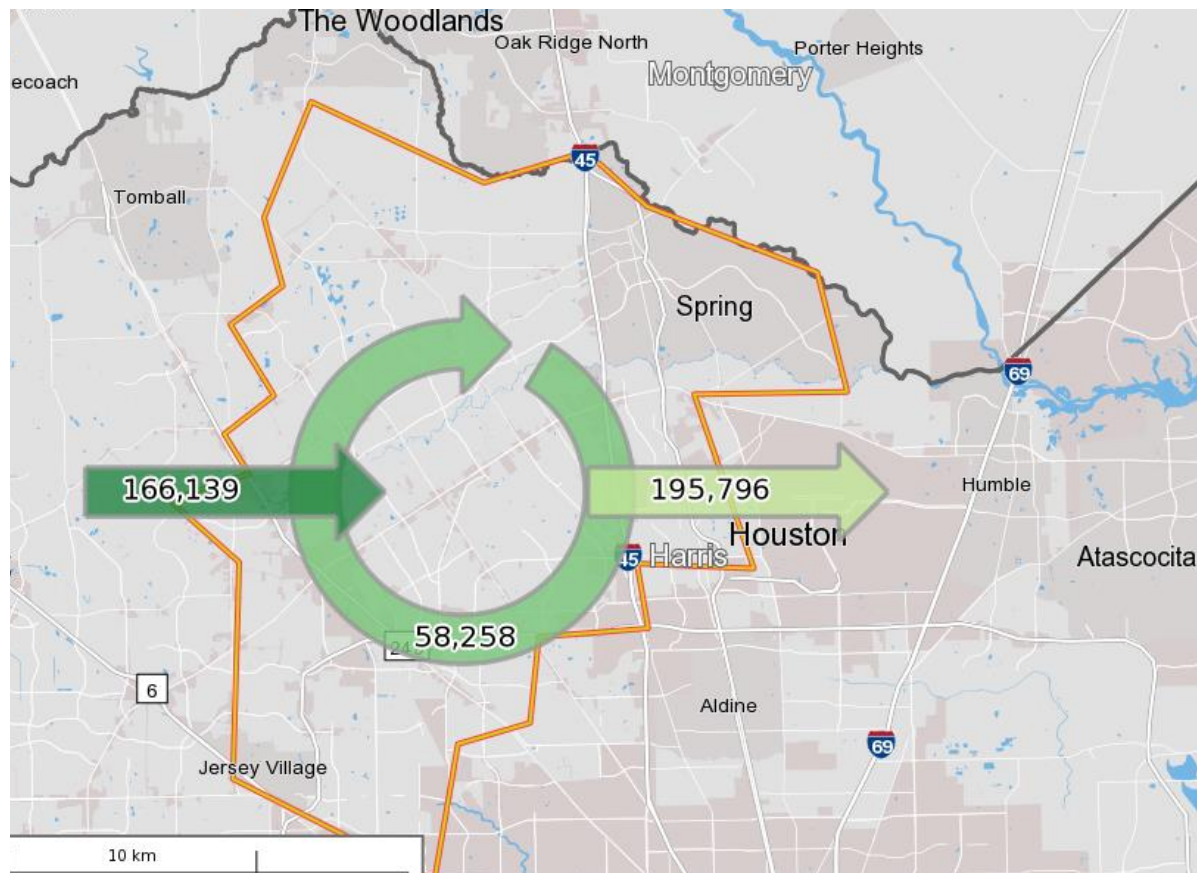


Houston Northwest Employment by Industry

Industry	Employment	% of Total Employment	Avg. Annual Wages	Change in Last 5 Years	Avg. Annual % of Change
Mining, Oil & Gas Extraction	5,314	1.9%	\$201,373	-809	-2.8%
Construction	23,407	8.4%	\$67,564	3,283	3.1%
Manufacturing	27,687	10.0%	\$87,388	-4,264	-2.8%
Trade, Transportation & Utilities	60,677	21.9%	\$81,898	4,812	3.3%
Information	4,369	1.6%	\$77,015	-184	-0.8%
Financial Activities	11,097	4.0%	\$92,256	775	3.4%
Professional & Business Services	41,316	15%	\$111,346	6,732	35.3%
Education & Health	61,382	22.2%	\$53,560	7,234	5.0%
Leisure & Hospitality	29,821	10.8%	\$31,872	5,600	11.0%
Other Services	10,534	3.8%	\$35,066	994	2.0%
Government	946	0.3%	\$74,077	10	0.2%
Total - All Industries	277,108		\$67,737	24,291	1.9%

Source: JobsEQ 2017Q3

Where We Work “...head out on the highway”



Source: US Census 2015

- ▶ 74% of workforce commute into area for work.
- ▶ 77% commute out of the area.
- ▶ 23% Live and work in the same area.

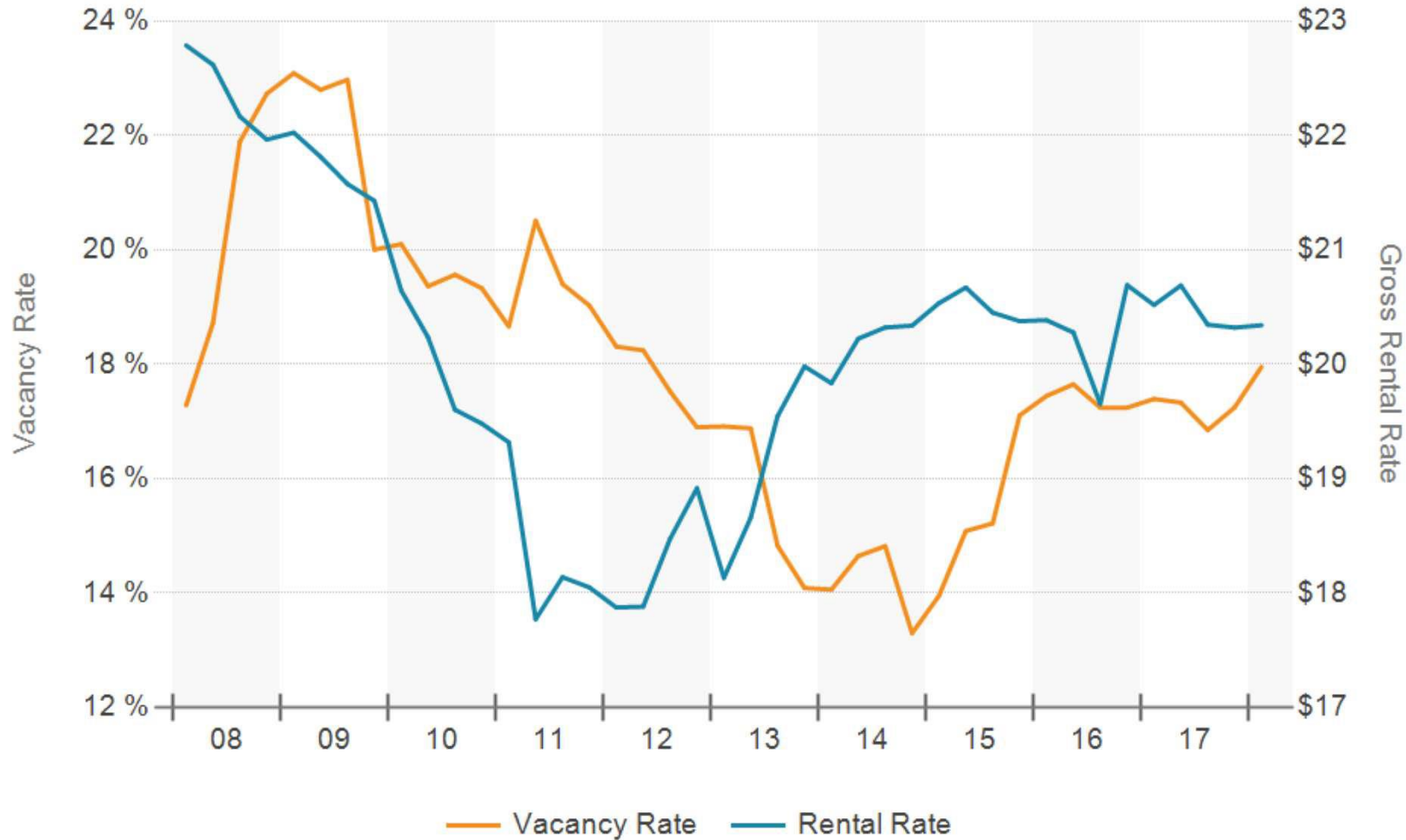
Employee to Population Ratio

Houston Northwest	40
Greater Houston	44
Houston City	73

(For every 100 residents)

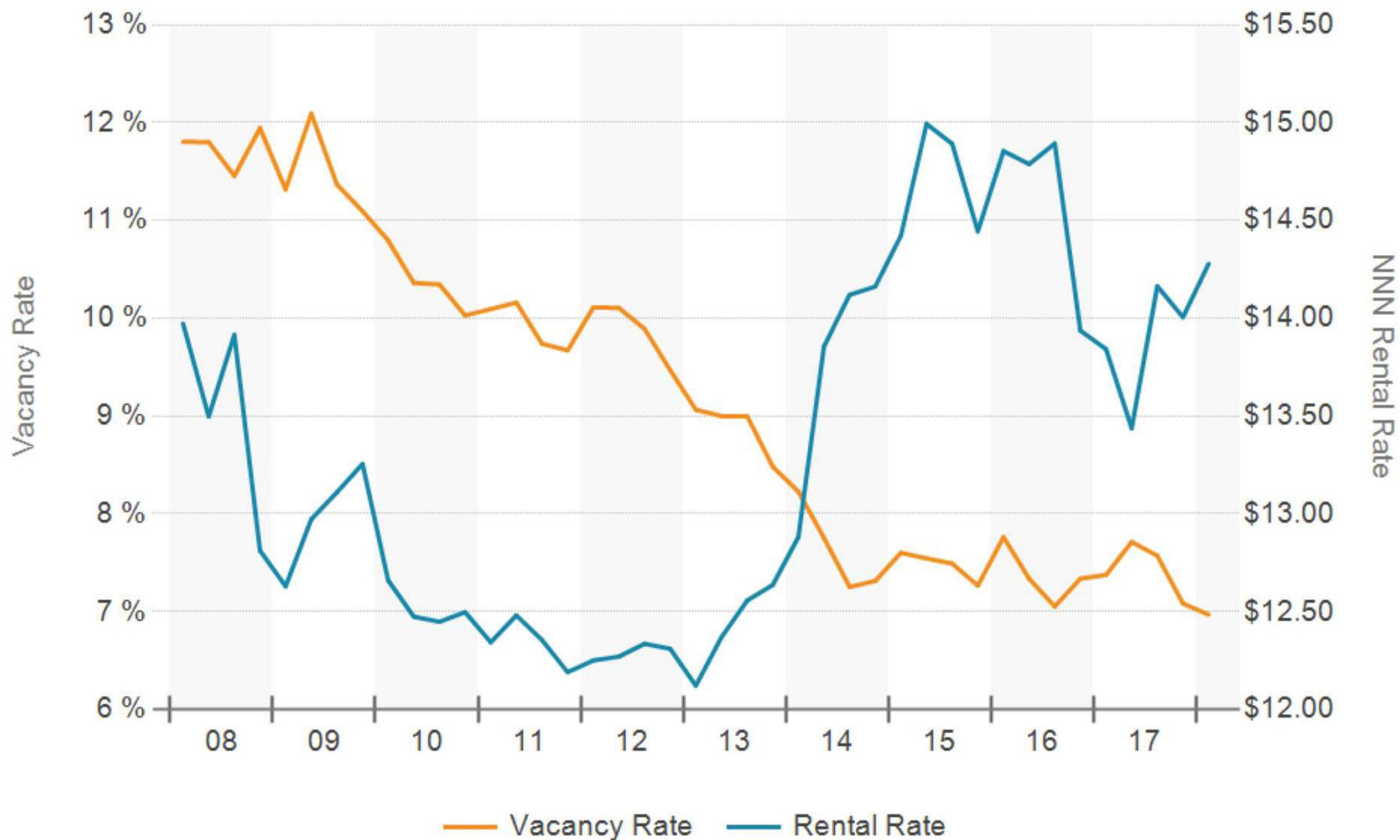
Source: ESRI 2017

Houston Northwest Real Estate - Office





Houston Northwest Real Estate - Retail



Source: CoStar 2018 3/6/18



Houston Northwest Real Estate - Industrial



Source: CoStar 2018 3/6/18



Houston Northwest Economy Post Harvey



Hewlett Packard Campus along Cypress Creek, August 27, 2017.

Credit: Gerry Morong



Houston Northwest Economy Post Harvey

- ▶ Likes it citizens, Houston Metro & Houston Northwest economies are proving to be resilient to Harvey and in some sectors experiencing short term benefitting from the disaster.
- ▶ However, for the next several years, Houston will be stigmatized by Harvey in attracting any significant outside prospects which are not location dependent.
- ▶ Houston Northwest economy ebbs & flows with oil & gas.
- ▶ If oil remains over \$60 bbl, Houston Northwest will add energy & manufacturing jobs in 2018.
- ▶ Growth in retail and other service sector jobs will begin to taper off.
- ▶ Demand for industrial will continue to be a boon for Houston Northwest.
- ▶ Wildcard: Where will HPE land and how will its old campus be repurposed?
- ▶ Build that 3rd reservoir, dammit! (pun intended)