

COVID-19 Economic Impact Assessment Survey

Galveston County, TX

MAY 13

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Background

Galveston County

Galveston County is a county in the U.S. State of Texas, situated along the Gulf Coast adjacent to Galveston Bay. The county seat is the City of Galveston. The county has a robust local economy characterized by the port industry, small and medium businesses, agriculture, petrochemical industry, and a vibrant tourism sector.

As of the 2010 US Census, the population density for the county was 628 people per square mile (242/km²). The Galveston County Place Profile Report summarized the population and demographic trends of the region based on the 2010 US Census and data collected subsequently. The racial profile of the county was found to be 74% White, 13% Black or African American, 6% Asian, 1% Native American, 0.04% Pacific Islander, 7.18% from other races, and 2.08% from two or more races; 18% of the population was Hispanic or Latino of any race.

COVID-19 Economic Assessment Survey

The effect of the ongoing COVID-19 pandemic is the focus of this survey and the results will be used to analyze the impact of the virus outbreak on the regional economy. The study is aimed towards small and medium businesses/enterprises (SMB/E) as categorized by the US Small Business Administration. This project is part of the larger effort undertaken by the Department of Commerce to assess the economic impact of COVID-19 on the national economy. This project is supported by the Department of Commerce and the State Government of Texas, to examine the economic impact in the Galveston County region.

The primary respondents are owners of small and medium businesses/enterprises (as shown in the Appendix 1), as they are the backbone of the regional economy and are likely to be adversely affected by the pandemic. The project seeks to gain insight into the conditions, outlooks, and future plans of these businesses. This information will be used to formulate a comprehensive report to aid in economic revitalization efforts. The report will be submitted to state and federal agencies by the City of Galveston.

COVID-19

Texas had 14,624 confirmed cases as of April 17, 2020; the number of confirmed cases has shot up to 39,869 in three weeks. Galveston County has reported 685 confirmed cases with 29 deaths as of May 12, 2020. The number of cases in the state and the county has almost doubled within a fortnight (Galveston County Health District, 2020). League City and Texas City bear the brunt of the outbreak in Galveston County, with 195 and 181 confirmed cases, respectively. Out of the 688 confirmed cases, 272 are active as of May 12, 2020. 416 COVID-19 patients have recovered. Figure 1 shows that the Non-Hispanic White population of the county is the most affected by the outbreak as they also comprise 74% of the county’s population. The African American community has also been more affected with 158 cases. Women are found to be more vulnerable to the outbreak than men. Although Galveston County has a sizeable retiree population, the most affected age group here seems to be the early to late middle ages.

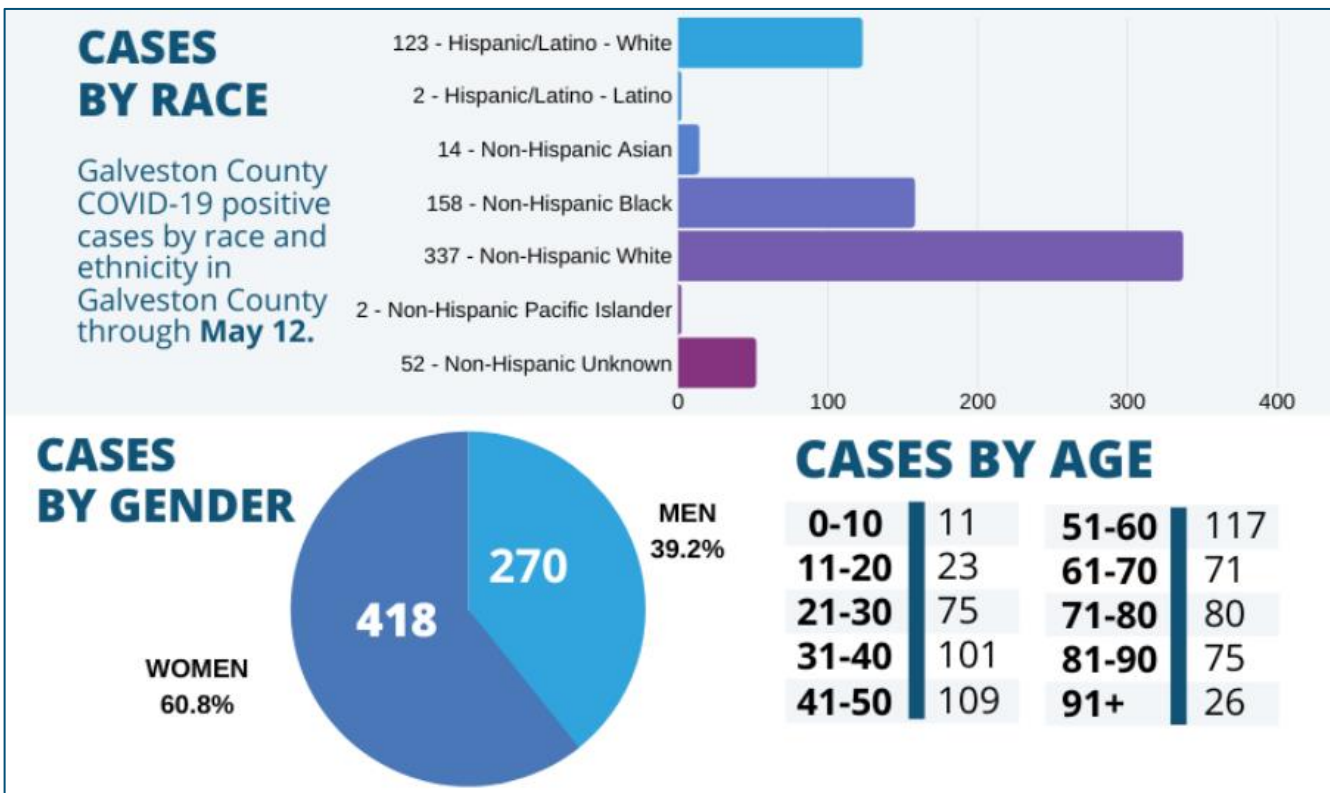


Figure 1 Impact of COVID-19 based on race, gender, and age. Src: GCHD

COVID-19 Response

The City of Galveston has been under a Declaration of a Local State of Disaster-related to the emergence of the COVID-19 since March 16. This emergency declaration remains in effect until May 31. Governor Greg Abbott lifted the state’s stay-at-home order and began reopening Texas businesses with certain restrictions (City of Galveston, 2020). As of May 1, 2020, with the expiration of the stay-at-home order, hotels and short-term rentals within the City of Galveston no longer have restrictions on non-essential guests. Fishing piers and charter fishing resumed business and operations on May 1. However, all reopened businesses are required to follow strict social distancing requirements. Figure 2 shows the regional scenario by city, with a stable rate of recovery.

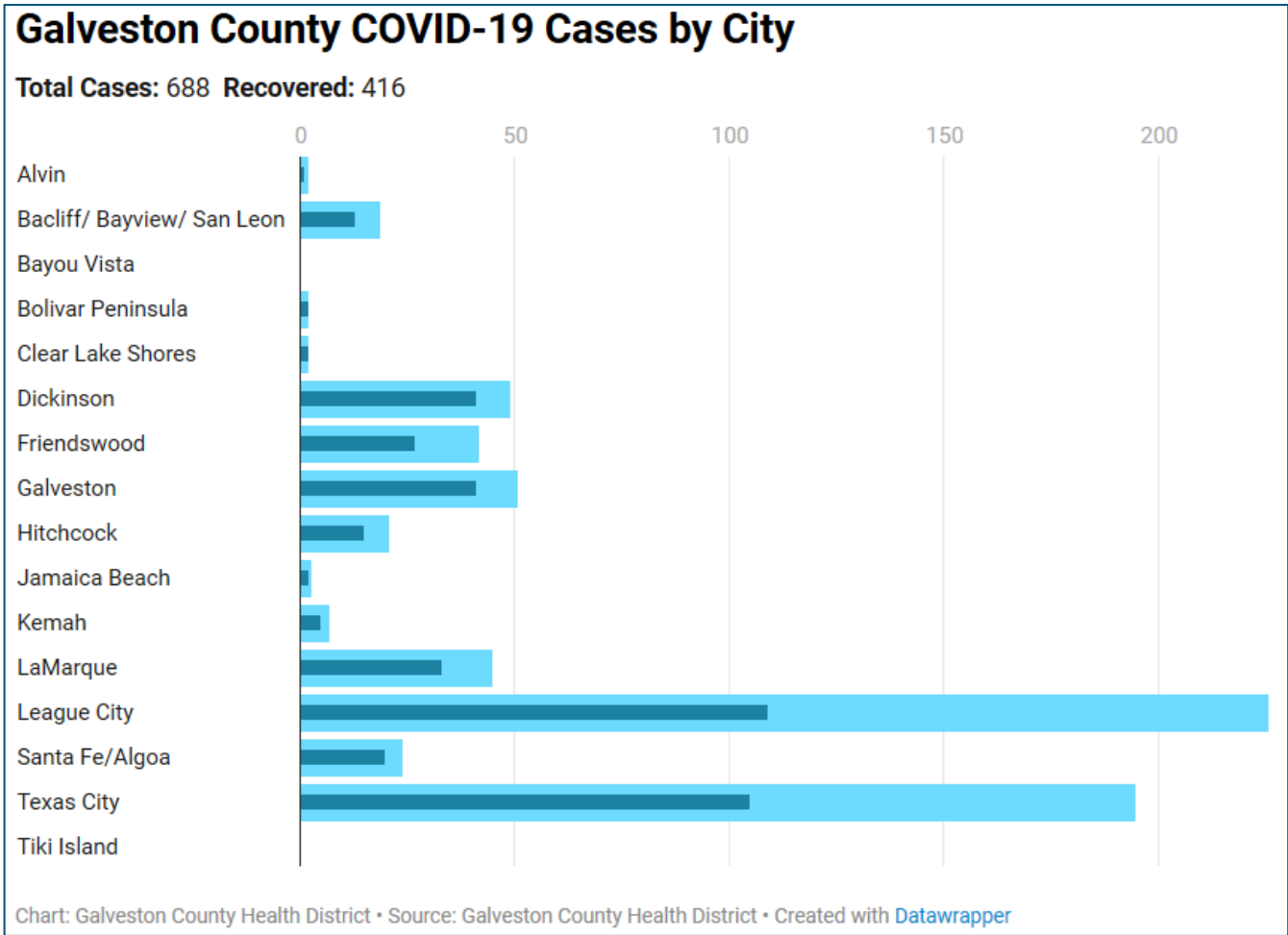


Figure 2 Galveston County COVID-19 Cases by City. Src: GCHD

Methodology

Organization

The survey intends to assess the impact of the COVID-19 pandemic on small and medium businesses in the Galveston County region. The county has 1,005 businesses registered with Galveston Regional Chamber of Commerce (GRCC) – the primary vehicle for survey delivery. The GRCC is the study partner for this survey undertaken by the Planning & Development Division of the Galveston County Development Services. The Planning & Development Division is working with the Texas State Government, which is coordinating a state-wide economic impact assessment survey. The organization chart for this project is shown below.

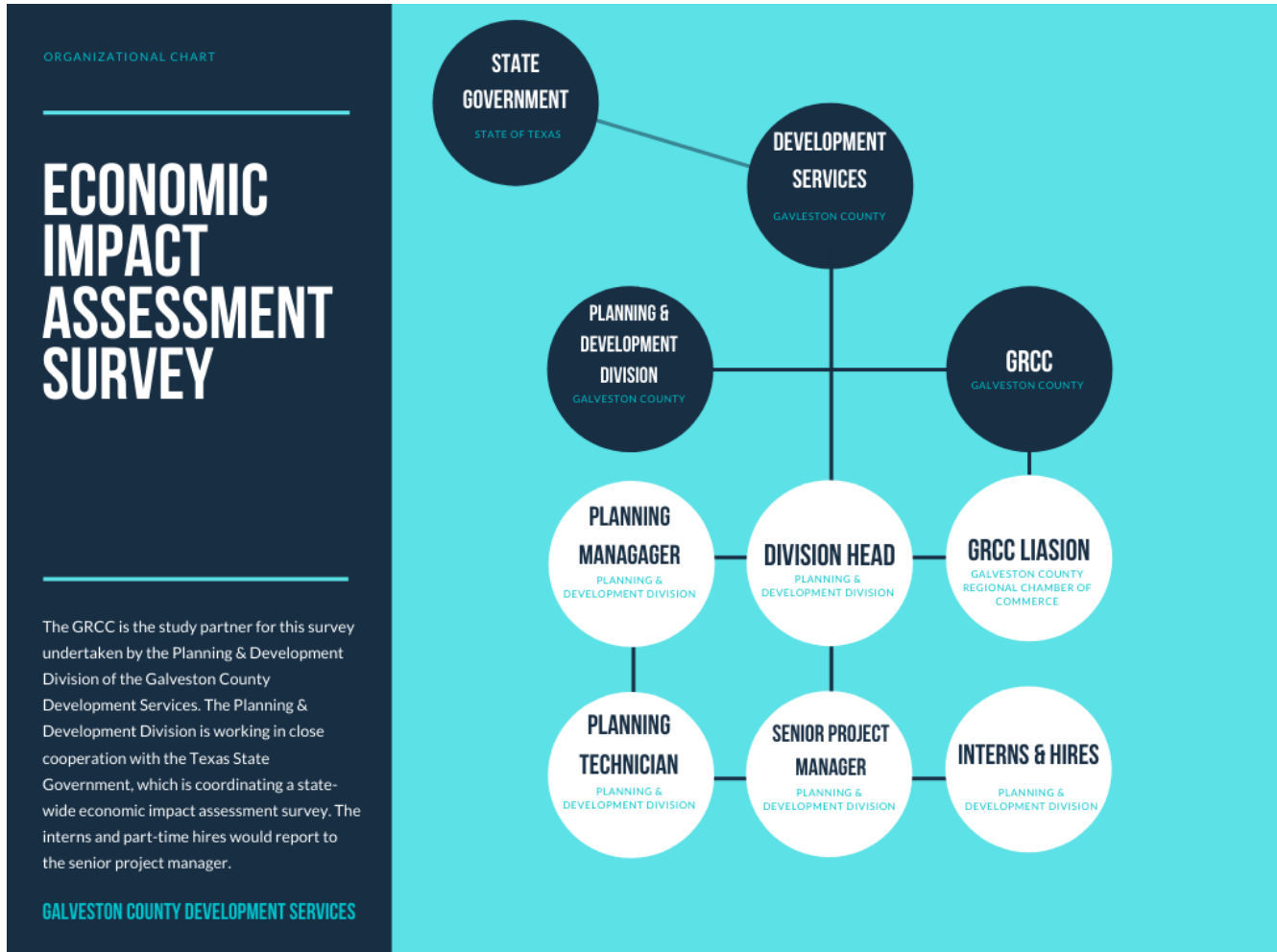


Figure 3 Project Organizational Chart

Division Staff

The Planning & Development Division will employ its 6-person staff, who will be allocating 25% of their daily schedule to work on the Economic Impact Assessment Survey project. The project lead will be the Division Head (AICP credentials). Two senior project managers will be undertaking the responsibility of guiding the interns and the part-time staff. Two Planning Technicians will be working on technical aspects of the project under the supervision of the Planning Manager. Full-time staff will be working for 8 hours/day, devoting 2 hours/day for this project (25% of a full workday). The full-time staff will reduce this percentage to 20% in the Austerity Funding scenario.

An additional 6-person part-time/hourly staff is employed for this project. In this team, at least two members would be bilingual to assist with outreach in Spanish and Vietnamese speaking communities. This consideration is based on the fact that there is a significant portion of Spanish and Vietnamese speaking population in the region. Interns being bilingual is considered an asset, whereas this trait is preferred when hiring part-time staff. The part-time staff and interns will be working for 4 hours/day. Additional translators will be retained, one each for Spanish and Vietnamese; the translation team will assist with the survey/documents and other translations. The Austerity Funding scenario delegates the translating team's duties to the part-time staff and the interns.

Sample Frame

The respondent group for this project comprises of the small and medium businesses and enterprises (SMB/E) as categorized by the US Small Business Administration. As of May 2020, there are 1,005 such businesses registered with the Galveston Regional Chamber of Commerce. For a detailed breakdown of the number of businesses by category, refer the Appendix 1. The selected respondents comprise of all types of businesses and enterprises registered with the GRCC.

Survey Distribution & Planning

The surveys will be distributed to these 1,005 companies through the Galveston County Regional Chamber of Commerce. The Galveston Regional Chamber of Commerce has taken up the responsibility of survey circulation pro bono. The Planning & Development Division will also be paying for USPS postage, amounting to be approximately 55 cents per survey.

100 GSM Bond Paper		USPS Postage Rates (2020)	
6.25g	0.22 Oz	Letters (1 Oz)	55 cents
Survey (x4 pages)		Postage per Survey	
25g	0.88 Oz	Letters (0.88 Oz)	55 cents

Table 1 USPS Postage Calculation. Src: USPS

Additional surveys may be mailed if needed, after a review of received responses. An intermediate round of incentive distribution for completed surveys is also provided in both budget scenarios. The second round of survey distribution (through the mail) would follow the distribution of incentives for completed surveys.

The following sections show the Project Planner Gantt Chart and the two budgeting scenarios for the project. There are two budget scenarios for the project:

1. Full Funding Support
2. Austerity Funding

Project Timeline & Staff

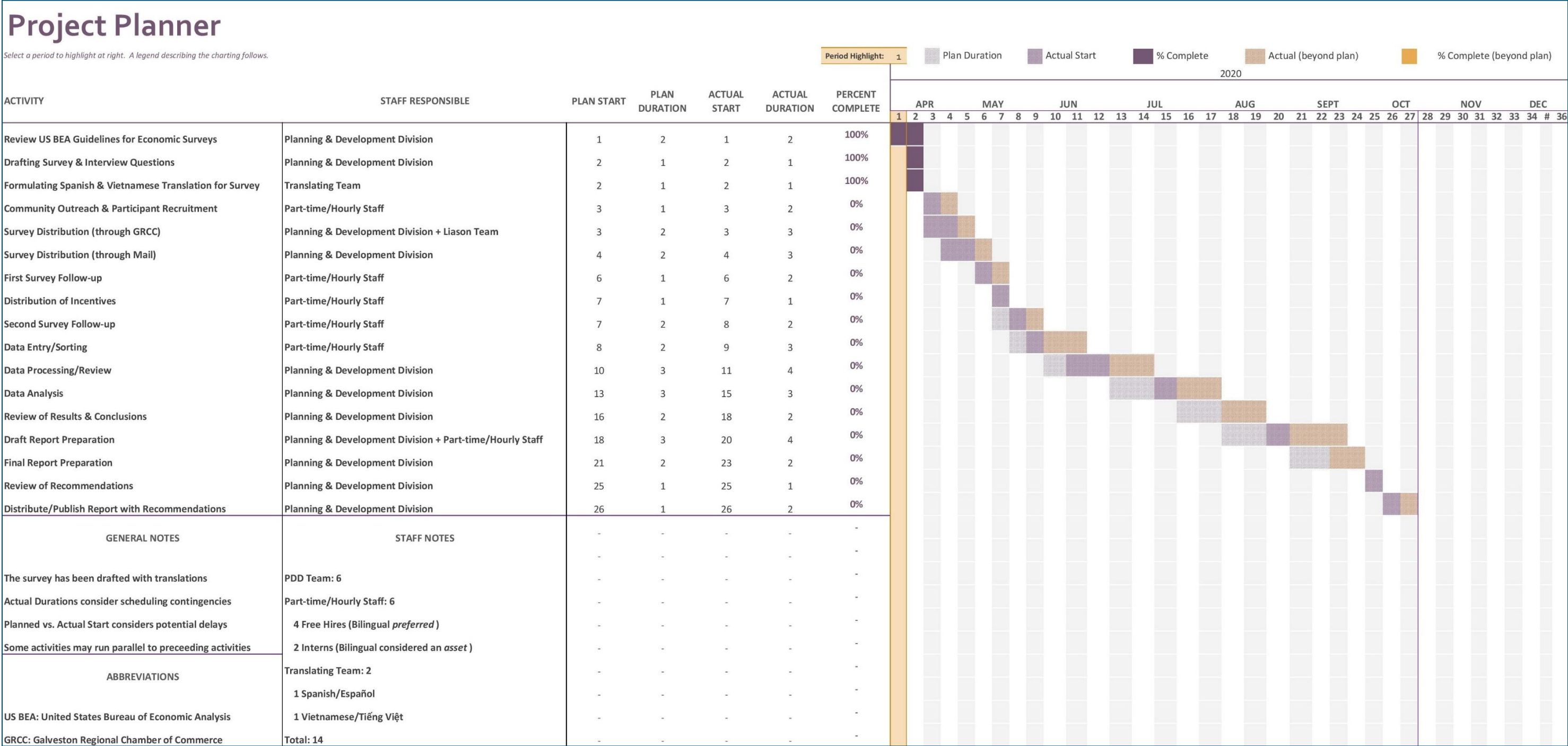


Figure 4 Project Planner & Staff

Budget Scenarios

Salaries for full-time staff are calculated based on planned and actual work weeks. The annual salary for full-time staff is \$70,000 and \$90,000 for the Division Head. These salaries are estimated to be \$46,730 and \$38,940 for 27 actual work weeks, for the Full Funding Support Scenario.

Expenses	Description	Allocated Funds	Calculations
Postage	USPS Letter Post	\$ 608	0.55 x 1005 surveys + 10% incidentals/overheads
Salaries	Planning & Development Division	\$ 60,358	0.25 x (46,730 x 1 (Division Head) + 38,940 x 5 (Team))
	Part-time/Hourly Staff + Interns	\$ 64,960	14 actual weeks x (\$20/hr. for 4 x part-time staff) + (\$14/hr. for 2 x interns)
	Translators	\$ 853	\$21.32/hr. for 2 x translators for two weeks (2 hrs./day)
Incentives	Survey Completion Monetary Incentives	\$ 10,050	\$10 per survey (for 1,005 surveys)
<i>Total Budget (Full Funding Support)</i>		\$ 136,828	
<i>This budget scenario considers the actual number of weeks for staff work assignments (shown in the Gantt chart).</i>			

Table 2 Full Funding Support Budget Scenario

The salaries for full-time staff are calculated to be \$38,070 and \$31,730 for 22 actual work weeks, for the Full Funding Support Scenario.

Expenses	Description	Allocated Funds	Calculations
Postage	USPS Letter Post	\$ 553	0.55 x 1005 surveys
Salaries	Planning & Development Division	\$ 39,344	0.20 x (38,070 x 1 (Division Head) + 31,730 x 5 (Team))
	Part-time/Hourly Staff + Interns	\$ 38,400	10 planned weeks x (\$18/hr. for 4 x part-time staff) + (\$12/hr. for 2 x interns)
Incentives	Survey Completion Monetary Incentives	\$ 3,750	\$15 per survey (for first 250 surveys)
<i>Total Budget (Austerity Funding)</i>		\$ 82,047	
<i>This budget scenario considers the planned number of weeks for staff work assignments (shown in the Gantt chart).</i>			

Table 3 Austerity Funding Budget Scenario

Ethics, Validity & Limitations

The primary purpose of the survey is to assess the economic fallout in the region due to the COVID-19 pandemic. The questions may be of sensitive nature that may require respondents to divulge information that they would not be willing to share in these circumstances.

State-wide lockdowns have been implemented, and parts of the survey try to examine whether respondents would adhere to these restrictions or plan to flout them. This aspect may lead to inaccuracies, and care must be taken so that the extraction of this information is not perceived as a breach of trust.

Due to the pandemic and government restrictions, the ability for the Planning & Development Division team to execute this survey would be limited to some extent as physical correspondence and mobility have been reduced.

References

Listed below are the references used for rates, organizational details, guidelines, and surveying costs, among others:

1. BEA International Survey Guidance; <https://www.bea.gov/guidance>
2. Galveston County Government; <https://www.galvestontx.gov/601/Planning-Development-Division>
3. Galveston County Health District; <https://www.gchd.org/about-us/news-and-events/coronavirus-disease-2019-covid-19/galveston-county-confirmed-covid-19-cases>
4. Translator Salaries in Texas on Indeed.com; <https://www.indeed.com/salaries/translator-Salaries,-Texas>
5. Galveston Regional Chamber of Commerce; <http://galvestonchamber.chambermaster.com/list/>

Appendix

Business Categories (Galveston Regional Chamber of Commerce)	Registered Businesses
A - Business and Professional Services	62
A - Eat	46
A - Health and Human Services/Non-Profits	25
A - Shop	44
Advertising & Media	23
Arts, Culture & Entertainment	36
Automotive & Marine	26
Business & Professional Services	83
Computers & Telecommunications	13
Construction Equipment & Contractors	28
Education	12
Family, Community & Civic Organizations	85
Finance & Insurance	44
Government & Individuals	43
Health Care	25
Home & Garden	30
Industrial Supplies & Services	12
Legal	14
Lodging	50
Manufacturing, Production & Wholesale	16
Mediation	1
Personal Services & Care	38
Pets & Veterinary	4
Public Utilities & Environment	7
Real Estate, Moving & Storage	59
Religious Organizations	3
Restaurants, Food & Beverages	86
Shopping & Specialty Retail	41
Sports & Recreation	22
Transportation	13
Travel	14
<i>Total Registered with GRCC</i>	<i>1,005</i>
<i>Src: Galveston Regional Chamber of Commerce Business Directory</i>	

Appendix 1 Survey Sample Frame

Data Collection Tools & Instruments

Personal Interview & Focus Group

The interview is designed to be more colloquial than the survey.

This section covers the personal interview sections and a video conference-based focus group.

The primary vehicle for the personal interview/focus group would be Microsoft Teams which features:

- Integrated service with Office 365
- Creation of polls
- Enhanced cyber-security measures¹
- Multi-device support
- Conversation channels/break-out rooms

The video conferences and interviews will be recorded for future use, and consent for the same is requested in the Recruitment Letter (Refer Appendix). Focus groups are optional and subject to flexibility and availability of the project team and respondents.

1. Could you tell us about how you are coping with these unprecedented times we find ourselves in?
2. Is your business considered essential or non-essential? How have your employees perceived this change in status?
3. If your business is deemed essential, do you feel a sense of added responsibility given that you are responsible for delivering a much-needed service in difficult times? How has social-distancing, caution, and paranoia affected your business despite your designation?
4. How do you perceive the government's level of caution given the circumstances and considering the impact it would have on businesses and the economy; is it overcautious, callous, or a step in the right direction? Has the travel lockdown detrimentally affected your business?
5. If your business has been temporarily shut down, how do you plan on providing for your employees, if at all?

¹ Microsoft Teams is built with the best cyber security standards possible: ISO 27001 and SSAE16 SOC one and two, among others.

Let us discuss a bit about your perceptions of this crisis as an overarching, albeit temporary, aspect of your life.

6. Situations like these may result in instinctive actions and impulsive decisions. Has this crisis resulted in you making decisions which you would not have been otherwise making?
7. Can you discuss how it was before to operate your business and how it is now? Can you share some insight into what you think about your business and what it looks like after three months?
8. Do you reasonably believe that the way you live and work will be changed for good after this crisis has passed?

*Question 8 paves the way for the discussion about the future.

9. After the crisis, it might be reasonable to assume long-term changes in people's buying and consumption patterns. How will you attune your business to a possible paradigm shift to "Buy-what-you-need"? Would you anticipate a need-based production cycle or at least a reduction in the demand for goods?
10. What are your plans for sourcing supplies for your business in the future? If you import from Chinese markets, will this crisis influence your decision? Will you hitch your wagon with the larger players in the region or continue to be independent?

The following section of the Appendix contains the Sample Letter of Recruitment and the survey instrument in English, Spanish, and Vietnamese²:

1. Sample Letter of Recruitment
2. Economic Impact Assessment Survey (English-US)
3. Encuesta de Impacto Económico (Español-US)
4. Khảo Sát Tác Động Kinh Tế (Tiếng Việt)

² The surveys have been translated as accurately as possible with any uncommon words being translated based on 'Community Verification.' The translation mechanisms offered by MS Office and Google have been utilized for this purpose.