

 Print This Article

Monday, Feb 23, 2009

Posted on Sat, Feb. 14, 2009

Texas, Tarrant stand to gain thousands of jobs from stimulus bill

By ANNA M. TINSLEY

atinsley@star-telegram.com

At the heart of the \$787 billion stimulus plan is a promise to save or create 3.5 million jobs nationwide.

Lawmakers project that about 269,000 of those could be in Texas — potentially more than 28,000 in Tarrant County alone — and President Barack Obama says the jobs created by the bill will play a key role in helping "get our economy back on track."

But many economists and experts stress that these estimates are just that — estimates. There's wide agreement that the bill will save and create hundreds of thousands of jobs nationwide, but there's widespread skepticism that the 3.5 million mark will be met.

And it's clear that Americans want action. Polls consistently show that their chief worry is the job market as Texas' unemployment rate sits at 6 percent and the nation's at 7.6 percent, with both likely to rise in coming months.

Regardless of how many jobs are created or saved, some experts fear that they won't last long, won't come in time or won't be enough to balance out millions of more layoffs expected this year.

"It's short-lived," said Bill Crowder, an economics professor at the University of Texas at Arlington. "I don't think the stimulus package is going to be that stimulating, and it's going to cost a lot of money."

Cal Jillson, a political science professor at Southern Methodist University in Dallas, said the bill scheduled to be signed by Obama on Tuesday isn't meant to create permanent jobs but to simply put people to work until private companies gain better footing and can hire more of the 11 million unemployed Americans.

"This will provide paychecks to people who otherwise would not have had jobs, and those paychecks allow them to buy things and create more demand," Jillson said. "It lets the private sector catch its breath. It's a way to create a bottom to the number of jobs being lost so the economy has a chance to begin growing again."

Calculations

The White House estimates that Texas will reap the second-most jobs from the stimulus plan, after California, which expects to see about 421,000. Some of those jobs could be through "shovel ready" projects, such as the 247 Tarrant County projects on a U.S. Conference of Mayors list that could create more than 28,000 jobs.

This could help Texas, as state officials predict that an additional 100,000 non-farm-related jobs could be gone before year's end. Statewide, if all the Texas projects on the list were funded, nearly \$11 billion would be spent on projects here and 126,000 jobs created, according to StimulusWatch.org. But some worry that even if they are created, they won't last long.

"The stimulus package is to make the recovery from this recession quicker," Crowder said. "It's a possibility. But what happens after there is no more stimulus?"

"Demand goes back down, and we are still left with excess capacity," he said. "Then we go through it again."

Local projects

In Hurst, Ron Haynes isn't sure whether jobs would need to be created or retained to staff local infrastructure projects on the mayors' list.

"But I'm finding that a lot of contractors, engineers are laying people off," said Haynes, the city's director of public works. "My assumption is they might be rehiring people if we get the funding for these projects."

That means, for instance, that the estimated 80 jobs needed to widen Pipeline Road and the 100 jobs needed to renovate the library could put unemployed people to work.

In Fort Worth, calculations show that 0.6 to 1.9 jobs could be created for every \$100,000 of construction value, said Randle Harwood, the city's program management office director.

The \$83.7 million for Southwest Parkway and related improvements could generate 1,046 jobs, the \$16.7 million in Fort Worth Zoo renovations could bring 210 jobs, and the \$25 million for a Western Heritage parking facility could bring 313 jobs, StimulusWatch.org shows.

But \$471 million in commuter rail work would create about 18,000 jobs, based on a general formula that 37,000 direct and indirect jobs are created from a \$1 billion transit investment, said Joan Hunter, a spokeswoman for the Fort Worth Transportation Authority.

StimulusWatch.org estimates that the commuter rail work — putting commuter rail from southwest Fort Worth to downtown and from northeast Fort Worth to Grapevine and Dallas/Fort Worth Airport — would generate 5,888 jobs. Hunter said it's more likely to be three times as much. "Many of them would be new jobs or jobs for people who might have been laid off," Hunter said.

'Putting people to work'

In Arlington, city leaders determined from internal estimates that, for instance, a \$39 million expansion of the Arlington Convention Center could create 212 jobs and a \$23 million convention center parking garage could bring 140 jobs. Those jobs would be contracted out — possibly creating new jobs or directing already-employed workers to different projects, said Jennifer Wichmann, the city's administrative services manager.

In North Richland Hills, officials determined that a \$22.9 million reconstruction of 33 streets would require 660 workers, said Mike Curtis, the city's managing director of development services.

In addition to engineers and surveyors, Curtis factored in design and sewer workers, contractors, testing companies, inspectors and more. "There are quite a few people who would be employed with each of these street projects, and it's not just contractors or laborers pouring concrete," he said. "This would be putting people to work. Construction would last eight months to a year on each of the projects.

"The hope is that it would just magnify and the people working would go buy lunch during the day, support our businesses — grocery stores, restaurants — and there would be a trickle down."

Lasting effect?

Despite the job projections, no one can accurately predict what will happen. "It doesn't all happen at once, and it is very difficult to measure 'saved' jobs, from layoffs or business failures that didn't happen," said Ray Perryman, an economist and CEO of the Perryman Group in Waco. "It will likely be one of those things that is hotly debated for years."

Jillson, of SMU, said politicians will spend much time arguing over the effort's success or failure.

"In a year, Democrats will say they saved or created 3 to 4 million jobs," he said. "Republicans will say, 'No you didn't. Those jobs would have existed anyway.' We'll see."

Texas projects

Last year, cities submitted lists of "shovel ready" projects to the U.S. Conference of Mayors that they would like to see funded. StimulusWatch.org lists those projects, city by city, state by state.

If all the proposed projects in Texas received stimulus funding, it would cost **\$10.7 billion** and create **126,914.8** jobs. Nationwide, all the projects would create **1.6 million** jobs at a cost of **\$149.7 billion**.

A closer look at Tarrant County, if all the proposed projects were chosen for federal funding:

Fort Worth — 18 projects valued at \$1.7 billion would create 21,344 jobs.

Arlington — 98 projects valued at \$387 million would create 2,567.2 jobs.

Bedford — 37 projects valued at \$39.2 million would create 532 jobs.

Euless — 36 projects valued at \$104 million would create 1,306 jobs.

Hurst — 37 projects valued at \$45.3 million would create 739 jobs.

North Richland Hills — 21 projects valued at \$677.6 million would create 2,051.5 jobs.

Online: www.StimulusWatch.org

Tarrant County projects

Tarrant County projects seeking federal funding that promise to create jobs, and the associated project cost, include:

Arlington Convention center expansion, 212 jobs, \$39 million

Convention center parking garage, 140 jobs, \$23 million

Airport security enhancements, 17 jobs, \$1 million

Webb Community Park development, 40 jobs, \$6 million

Bedford Crack sealing on streets, 12 jobs, \$1.1 million

Erosion control at various locations, 12 jobs, \$800,000

New library building, 80 jobs, \$8 million

Euless Police and fire training center, 35 jobs, \$3.5 million

Euless housing revitalization, 20 jobs, \$2.5 million

Softball World Park improvements, 25 jobs, \$785,000

Fort Worth Interstate 35W-Northeast Loop 820 interchange, 2,500 jobs, \$200 million

Southwest Parkway and related improvements (Dirks Road, utility relocations and more), 1,046 jobs, \$83.7 million

Botanic Garden/Botanical Research Institute demonstration storm water management parking area, 74 jobs, \$6 million

Regional swimming centers, 1,325 jobs, \$106 million

Zoo infrastructure renovations, 210 jobs, \$16.7 million

Commuter rail improvements, 5,888 jobs, \$471 million

Hurst Conversion of school zone warning signs to solar operation, four jobs, \$110,000

Library renovation, 100 jobs, \$3.6 million

North Richland Hills Youth summer camp, 0.5 job, \$10,000

North Tarrant Express, improving Northeast Loop 820 in the city limits, 600 jobs, \$600 million

Source: www.StimulusWatch.org