

# Hurricane Ike Impact Report: Jefferson County



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## HURRICANE IKE IMPACT REPORT

### Economic Impacts

Overall economic impact to Jefferson County is estimated to be \$11.9 billion.

\$13.6 billion in estimated losses to the industrial sectors

\$45.2 million in estimated losses to the agricultural sectors

### JEFFERSON COUNTY SUMMARY

**The total economic impact (loss) to Jefferson County from Hurricane Ike is estimated to be \$11.9 billion. Numbers are based on the Disaster Impact Model's accumulation of loss in sales during the four quarters (2008 Q4 - 2009 Q3) following Hurricane Ike. Already considered the most costly storm to make landfall in Texas, Hurricane Ike's true economic impacts to the region continue to be analyzed. Jefferson County's manufacturing sector was impacted the hardest, experiencing an estimated \$9.1 billion in losses alone.**

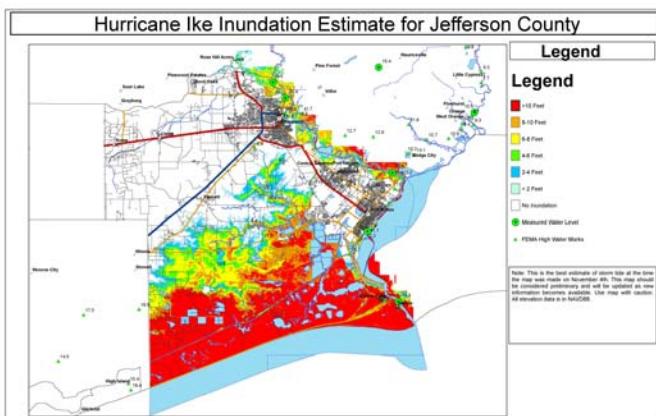
### Impact Report

#### COUNTY INFORMATION

Founded in 1836 and named after Thomas Jefferson, Jefferson County was one of first in the Republic of Texas. Growth in the county was spurred by the opening of the Spindletop oilfield in 1901 and the petro-chemical industry continues to drive the county's economy. Now home to 243,090 residents (2008), it is estimated the petro-chemical industry provides 40% the county's paychecks and 75% of the tax burden.

The Port Arthur ship canal, on the west shore of Sabine Lake, connects with the Neches and Sabine rivers to provide deepwater ports at

Beaumont, Port Arthur, Nederland, and Port Neches. Beef cattle and rice yield major farm income, but the majority of wage earners are employed by the petrochemical, shipbuilding, and rubber industries.



Storm surge in Jefferson County brought saltwater more than 30 miles inland contaminating Beaumont's water supply

#### HURRICANE IKE

Jefferson County is among the most Southeast counties in Texas that has endured multiple hurricanes over the three year span from 2005-2008, including Katrina, Rita, Gustav and Ike. The significant difference with Hurricane Ike was Jefferson County was now on the wet side of the storm.

**Federal Funding**

\$29,661,379.67 in Individual Assistance grants

\$24,668,218.16 in Housing Assistance grants

\$4,993,161.51 in Other Needs Assistance grants

\$90,371,231.75 in Public Assistance grants

\$39,143,200.00 in U.S. Small Business Administration loans

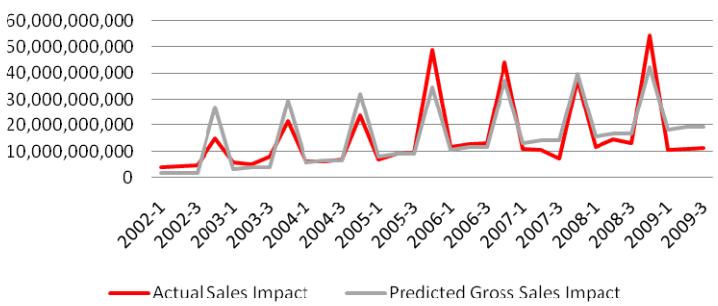
Hurricane Ike made landfall with **Category 2** winds and **Category 4** water surges. As the eye of the storm moved to the west of Jefferson County, the storm surge pushed waters far into the southwest portion of the county. As the storm surge moved north it tested the Port Arthur Levee, pushing waters further to the north.

**COUNTY IMPACTS**

According to the Disaster Impact Model, developed by Texas A&M AgriLife, the estimated economic impact to Jefferson County for the 12-month- period following Ike was \$11.9 billion. Among the 29 industry sectors evaluated in Jefferson County, manufacturing suffered the greatest loss at \$9.1 billion.

Hurricanes from the three previous years impacted Jefferson County primarily through wind damage. However, Ike also brought disastrous flooding. The storm's surge moved inland more than 30 miles, contaminating Beaumont's water supply with salt water.

In the Sabine River basin storm surge flooding devastated 1970s-era homes built on the ground. Waters rose to elevations greater than the 100-year flood plain. Nearly 4,000 head of cattle are estimated to have drowned in pastures.

**Jefferson County Economy-wide Ike Impact**

Hurricane Ike also impacted Texas Parks & Wildlife Department lands which include the J.D. Murphree Wildlife Management Area, where marsh habitats were inundated with an 11-to-16 feet of surge water flooding.

Debris was a major problem following the storm. The cost of debris removal for Jefferson County alone was more than \$36 million.

*After Hurricane Ike (2008 4Q – 2009 3Q) Jefferson County experienced on average a 24% per quarter reduction in gross sales during the four quarters following the storm. Total losses to the county are estimated at \$11.9 billion*