



A publication of Bay Area Houston Economic Partnership

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Bay Area Houston Economic Partnership (BAHEP) is a member-driven organization that provides leadership to stimulate regional economic development and employment in a range of industries such as specialty chemicals and plastics, advanced manufacturing, maritime, aviation, aerospace engineering, healthcare and biotechnology, and tourism. BAHEP partners with 270 member companies, 14 cities, Galveston County, Harris County, Houston Airport System, and the Port of Houston Authority in southeast Texas to foster economic vitality through regional collaboration.

Commercial / Office / Industrial Development

Memorial Hermann purchased 13 acres at **League City's** Pinnacle Park to build a 47,000 SF Convenient Care Center, the largest of its kind. It will offer a free-standing 24-hour emergency department, breast center, physical therapy and multi-specialty care clinic. Construction is expected to begin in the summer of 2016 with completion scheduled for summer of 2017. <http://www.memorialhermann.org/news/memorial-hermann-announces-plans-for-its-largest-convenient-care-center-in-league-city/>

Bay Area Regional Medical Center is expanding with a build-out of approximately 140,000 SF. When complete, the **Webster** hospital will then be 373,000 SF with 200 in-patient beds. One significant upgrade is the women's center including a labor and delivery area plus a neonatal ICU. Three new operating rooms just opened and two more will be added in the fourth quarter of 2016. The hospital opened in 2014 as a 232,000 SF facility with 104 beds. Read more here: http://www.bizjournals.com/houston/morning_call/2015/12/more-details-on-massive-clear-lake-hospital.html?s=print

LyondellBasell announced it will build an ethers units, producing oxy-fuels for high octane gasoline, in the **Bayport Industrial District**. In addition, the company also announced it will build the world's largest propylene oxide (PO) and tertiary butyl alcohol (TBA) plant in Channelview, creating up to 2,500 construction jobs and approximately 100 permanent positions. LyondellBasell is investing \$3 – 4 billion in expansion projects on the Gulf Coast in the next five years. Two ethylene expansion projects were completed in La Porte and Channelview and a third is underway in Corpus Christi.

BW Grayson Business Park is under construction on Beltway 8 at Grayson Drive just past Genoa Red Bluff Rd. in **Houston**. Situated on 7.62 acres, five office warehouse buildings are in the works -- crane ready and 27.5' eave height. For sale or lease, the building sizes are 20,000 SF, two at 18,000 SF, 14,000 SF, and 12,000 SF. Completion is early 2016.

A 24,000 SF spec building, for sale or lease on 2.49 acres, broke ground at Port Commerce Business Park on Genoa Red Bluff Road between Space Center Blvd. and Red Bluff Road in **Houston**. Phase II of the business park has begun construction.

Two spec buildings are coming up at Park 225, corner of SH 225 and Beltway 8 in **Pasadena**. One is 32,500 SF, a single tenant building, expandable to 50,000 SF. It's 30' clear height and 20-ton crane ready. The

other one is 121,896 SF, divisible to approximately 18,000 SF, 24' clear height, with dock-high and grade-level doors. This one delivers in the first quarter of 2016.

Office condominiums of approximately 10,000 SF are under construction at Magnolia Court Business Park in **Webster**. Space is available in 3,300+/- SF units. Move-in is projected for April depending on build-out.

New office space in **Friendswood**:

- Roberts Office Park, 306 S. Friendswood Drive, is expanding by 20,000 SF.
- Mary's Creek, a new 13.5-acre development in the 600 block of North Friendswood Drive plans 22,500 SF of office space. The master plans also calls for 108 units for 55+ residents.

Recent lease transactions

- 25,000 SF – Olympus Industrial Solutions leased at Magnolia Court Business Park in **Webster**. Construction will begin in 2016. Olympus Corporation is an international company operating in industrial, medical, and consumer markets, and specializing in optics, electronics, and precision engineering.
- 24,000 SF – Osburn Trucking LLC leased industrial space plus 4 acres for a crane-served manufacturing facility at 4458 Genoa Red Bluff in **Houston's** Port Commerce Business Park. *NAI Partners and Smith Rains Company handled the transaction.*
- 15,000 SF – Tri-Sen Systems leased at **Webster's** Magnolia Court Business Park and is under construction.
- Gemini Business Park leases: PSI Motorsports - 8,925 SF and Red Trident - 7,560 SF. *Lee and Associates represented the landlord, Ross Nicholson.*
- 6,000 SF – ORR Safety Corporation leased at 412 N. 8th Street in **La Porte**. *Transactions were handled by Cushman & Wakefield and Ardent Hardcastle Real Estate.*
- 4,666 SF - Alpha Space Test and Research Alliance leased office and laboratory space at 930 Gemini Street. *BAHEP member Derrell Curry with Savills Studley and Lee and Associates brokers, Ryan Searle and Preston Yaggi, handled the transaction.*

Other real estate transactions ...

- Atticus Real Estate Development bought 59 acres on Wesley Drive in **League City** along Clear Creek. The company already owns 6 acres and has a 203-unit multi-family project under construction, part of a Planned Urban Development that will include retail, garden office, restaurant, and hotel.
- Red Ball Oxygen closed on 6 acres at Port Commerce Business Park on Genoa Red Bluff Road to build a multi-million dollar facility. *Smith Raines Company handled the transaction.*
- IPAK Systems closed on 5 acres at Port Commerce Business Park. The company is a distributor for container companies and plans to build a multi-million dollar facility. *Carolyn Fincher / Smith Raines handled the transaction.*
- Sold! 16055 Space Center Boulevard office building, 149,144 SF, was purchased by a new owner. *BAHEP member, Colliers International, represented the seller.*
- Sold! 6.3 acres at 1706 S. 16th Street in **La Porte**.
- Sold! 6.5 fenced acres with a dock high building at 6110 Red Bluff Road in **Pasadena**. The building is for sale or lease. *Smith Raines Company handled the transaction.*
- Duma Land purchased a 100,000 SF office/warehouse building on 6.5 acres at 8201 and 8211 **La Porte** Freeway. *BAHEP member Colliers International and Cushman & Wakefield handled the transaction.*

Sealed bids are due February 17th on a 167-acre tract on the southeast quadrant of Genoa Red Bluff Road east of Space Center Blvd. The undeveloped land borders both streets.

Retail / Hospitality Development

A proposed \$55 million mixed-use development that will be anchored by a Mickey Gilley family entertainment center was approved by **La Porte** city planning officials for a conditional construction permit for the proposed La Porte Town Center. The proposed 20-acre sports and entertainment district would include a hotel, theater, museums, restaurants and townhomes. The development is predicted to bring in an estimated \$49.3 million in annual taxable sales, according to data from the developer. The town center could create roughly 840 jobs and nearly 300 construction-related jobs. Read more here: http://www.bizjournals.com/houston/morning_call/2015/12/gilleys-themed-project-inches-closer-to-reality.html?s=print

Cabela's opens its 72,000 SF store in **League City** this spring. It's the first store for the greater Houston area and the sixth store in Texas. The store is looking to fill 170 full-time, part-time and seasonal positions.

Walmart Neighborhood Market plans to open January 13th at the corner of FM 518 West and Landing Boulevard in **League City**. In March, the developer plans to break ground on Phase II of the center, The Shoppes at Landing -- 16,200 SF.

Lone Star Flight Museum broke ground on its new \$35 million, 130,000 SF facility at **Ellington Airport**. The museum is relocating from Galveston; the new building will bring exhibits, the Aviation Hall of Fame and a wonderful collection of historic aircraft. Completion is expected in 2017.

Restaurant news ...

- Pappas Bar-B-Q will build on four acres along Beltway 8 at Oleander in **Pasadena** in front of Cinemark.
- Los Cucos Mexican Café will open at the former Café Adobe location at **Baybrook Mall**.
- Pipeline Grill, a 9,000 SF restaurant, has opened in **La Porte** at 10003 Spencer Highway.
- J. Henry's Draught House & Kitchen has opened at 1105 Clear Lake City Blvd.
- Ouray Southwestern Grille will open at 316 W. NASA Parkway in **Webster**.
- El Toro Mexican Restaurant will begin construction on its new 10,000 SF location at the northeast corner of Sens Road and Spencer Highway in **La Porte**.
- Marais is under construction at 2015 FM 517 in **Dickinson**. The restaurant will be Gulf Coast casual cuisine – all the good stuff from New Orleans to Galveston: steaks, local seafood, Cajun inspired dishes, pastas, oysters, and crawfish.
- Grazia Italian Kitchen will open in the former Perry's Italian restaurant space at 1001 Pineloch Drive.
- Viola & Agnes (neo soul café) opened at 18091 Upper Bay Road in **Nassau Bay**.
- Whataburger is building a larger format store, the latest prototype, on Red Bluff Road at **Pasadena** Blvd.

At Baybrook Mall

Since the grand opening in November, these establishments have opened for business –

- Kona Grill, Bar Louie, Yardhouse, Maggiano's, Adore (cosmetics), and Zara (this is the largest store location in Houston with **36,982 SF!**)

Still to come --

- Perry's Steakhouse & Grille will open its new restaurant at Baybrook Mall on January 28th. The last day to dine at the Bay Area Blvd. location is January 23rd.
- The Rouxpour Restaurant and Bar plans to open mid-January.
- Arhaus (furniture) opens in the spring.
- Gloria's Latin Cuisine
- Dick's Sporting Goods. The retailer offers an extensive assortment of high-quality sports equipment, apparel, footwear and accessories.
- Grimaldi's Pizzeria

Hotel news ...

- A major \$15 million renovation is underway at **League City's** South Shore Harbour Resort and Conference Center with completion expected in the second quarter of 2016. The hotel entrance, 238 guest rooms and public spaces including the 25,000 SF conference center, 8,800 SF ballroom and 70-seat amphitheater will be renovated with a fresh new look. Read more here: <http://www.pressreader.com/usa/houston-chronicle/20151214/281913067057761/TextView>
- Hilton Home2 Suites – 92 rooms – is under construction on W. Texas Avenue in **Webster**.

In the planning stage: Star Fleet Marina owners plan a parking garage and a 5 or 6-story mixed-use development for dining, office and commercial users in **Clear Lake Shores**.

The only exhibit of its kind in the world! Independence Plaza opens January 23rd. The international landmark is an eight-story, \$12 million, multi-exhibit complex at **Space Center Houston** featuring the shuttle replica mounted on top of the first shuttle 747 carrier aircraft.

Calder Plaza I and II are being built on the **League City** Parkway at the Gulf Freeway and at Calder Road. One is 11,000 SF; the other is 2,700 SF.

Recent real estate deals ...

- 5,307 SF – STEPS Performing Arts Center is consolidating locations to its new building at 4734 Vista (Vista Commerce Center) in **Pasadena**. Two additional office warehouse buildings, 6,300 SF each, will be ready for occupancy in March 2016.

For a bird's eye view of what's going on in Bay Area Houston, search for HOT PROJECTS on our website: <http://www.bayareahouston.com/> It's frequently updated!

Now Open

Pasadena - Nothing Bundt Cakes is open at 6025 Crenshaw.

Friendswood - Mathnasium at 140 W. Parkwood; Marrone Market (home décor and antiques) at 610 S. Friendswood Drive; Kelm Engineering at 902 S. Friendswood Drive; Guice Engineering at 820 S. Friendswood Drive

NOTE: Please feel free to pass this e-newsletter along to others who would enjoy it, and kindly credit Bay Area Houston Economic Partnership.

Residential Development

The developer for Chesapeake Bay, a 259-unit luxury senior living complex, expects the project to break ground in January. The townhome/bungalow-style units will be on Repsdorph Road in **Seabrook**.

Home building in Lago Mar, a master-planned 2,033-acre development along the Gulf Freeway in **Texas City** has begun. The residential component will have 4,500 homes priced from the \$200's. It's expected that 444 home sites will be delivered the first year. Two builders have started construction; five more builders will be added to the mix.

Falls at Clear Lake, a 400-unit multi-family complex in **Webster** at 801 E. NASA, Parkway sold to Los Angeles-based Oak Coast Properties.

Infrastructure News and Everything Else!

SpaceCom -- The inaugural Space Commerce Conference and Exposition recently held at the George R. Brown Convention Center was a huge success! It drew 1,700 attendees from 23 countries and 37 states to showcase the real, viable links between space technology and Houston's major industries – advanced manufacturing, communications, energy, medical and transportation. Read more here:

<http://www.houstonchronicle.com/business/technology/article/SpaceCom-s-expo-hall-is-out-of-this-world-6642220.php>

<http://www.houstonchronicle.com/business/technology/article/SpaceCom-explores-an-industry-role-in-outer-space-6639515.php>

City News ...

City of **Friendswood** is targeting professional office users, medical offices, retail and restaurants. There are development opportunities in the FM 2351 / Beamer Road area, on North Friendswood Drive, downtown, at West Ranch and on FM 528.

Ports and Airports ...

A contract was awarded for the \$38.7 million upgrade of Wharf 2 at the Port of Houston Authority's **Barbours Cut Terminal** located in **Morgan's Point**, considered to be one of the premier container handling facilities in the country. The project will upgrade the existing Wharf 2 to support larger wharf cranes that can accommodate post-Panamax vessels. Work is scheduled to begin in January 2016 with completion scheduled for early 2017. Read more here: <https://www.recenter.tamu.edu/news/newstalk-texas?Item=11344>

A study by Martin Associates determined that public and private marine terminals at the **Port of Houston** had a statewide economic impact of \$265 billion in 2014, which is 16% of Texas' total gross domestic product. The port's economic value to the state has increased 45% since 2011. Read more here:

<http://www.guidrynews.com/story.aspx?id=1000073345>

The **Houston Airport System** and **NASA** have entered into an agreement that will allow the new commercial spaceport developing at Ellington Airport to tap into the federal space agency's assets and expertise, expanding the possibilities to grow the commercial spaceflight industry. Read more here:

<http://www.guidrynews.com/story.aspx?id=1000073438>

The **Houston Airport System** has been awarded a \$3.1 million state grant to assist in building a new air traffic control tower at **Ellington Airport**. This will help cover the cost of designing and constructing the new tower and navigational and communication equipment necessary for effective operation. The final estimated cost of the project is more than \$7 million. Once completed, it not only will support the military operations, but also enhance the service available to general aviation and the Houston Spaceport project. Bay Area Houston Economic Partnership, the Ellington Field Task Force, the City of Houston and the Houston Airport System, Ellington military units and State Representative Dennis Paul's office collaborated to finalize the grant application. Requests for proposals will go out early in 2016, with construction slated to begin next summer and be completed by late summer 2017. The new tower is scheduled to open in early fall 2017. Read more here: <http://www.guidrynews.com/story.aspx?id=1000074104> http://www.yourhoustonnews.com/bay_area/news/ellington-airport-gets-million-grant-for-new-air-traffic-control/article_eb4c178f-1fb7-5956-bd25-b4ab02914941.html

Did you know The **Port of Houston Authority** set a new record by handling more than two million TEU's in 2015? A TEU is an industry standard measurement for shipping containers.

If the containers were laid end to end, two million TEU's would reach more than 7,575 miles or approximately the distance between Houston and Shanghai, China! Read more here:

<http://www.portofhouston.com/inside-the-port-authority/communications/business-news/2-million-teusnew-container-record-set-by-port-of-houston-authority/>

Galveston County news...

- Did you know that through November, total cruise passengers at the **Port of Galveston** have surpassed 2014 numbers? More than 754,000 passengers have embarked this year due to bigger vessels and additional ships. In other news, Disney Cruise Line will again be sailing from the Port of Galveston for winter cruises to Key West, Nassau, the Bahamas and Castaway Cay (Disney's private island). This news comes from *Galveston County Daily News*.
- A memorandum of understanding between **Galveston County** and the **City of Galveston** was approved relating to the development of a new expanded vehicular bridge and future rail bridge between Galveston Island and Pelican Island.

Education news ...

Announced by the **University of Texas Medical Branch** and the **University of Houston-Clear Lake**, medical students will be able to earn an MBA while obtaining their medical degrees. Students who enter the program will take a year off between their third and fourth year of medical studies at UTMB to focus on earning their master of business administration at UHCL. Read more here: <http://newsroom.uhcl.edu/news/utmb-and-uh-clear-lake-to-offer-md-mba-dual-degree-program-in-2016>

In the top five of Niche.com Inc.'s 2016 Best School Districts in the Houston Metro area list, **Friendswood ISD** is No. 2 and **Clear Creek ISD** is No. 4. The rankings were based on 82 school district's test scores, college readiness, graduation rates, SAT/ACT scores, and other criteria.

Texas A&M University-Galveston broke ground on a new \$46 million academic building. It will be the first phase of a new complex for the campus and will include a new visitor center, classrooms and laboratories, academic services areas and administrative offices. The building totals 86,000 SF; completion is expected summer of 2017. Phase two will include additional lecture rooms and support services; phase three will complete the project with the addition of a new library. Read more here: <http://www.guidrynews.com/story.aspx?id=1000074042>

Voters in the **San Jacinto College District** have given their approval for the SJCD to move ahead with a \$425 million bond measure to fund new construction and renovation projects throughout the district. Read more here:

http://www.yourhoustonnews.com/deer_park/news/unofficial-results-show-voters-approving-san-jacinto-college-million-bond/article_7c999640-a4d8-515f-82e0-8b196006c946.html

San Jacinto College Maritime Center will open in January. The center is expected to have 15 classrooms and state-of-the-art full mission ship, towboat and tugboat simulators. Students can pursue certificate and associate degrees and receive incumbent worker maritime training at the center. They can take U.S. Coast Guard-required deck and engineering coursework to prepare mariners to work on commercial vessels in jobs ranging from deckhand on a towboat to captain of an oil tanker.

Road news ...

Right-of-Way acquisitions will begin for the Grand Parkway, Segment B to connect between Highway 288 and the Gulf Freeway in **League City**. Initial approval for the new 4-lane toll road could come in early 2016.

Right-of-Way acquisitions will begin for the SH 146 expansion. <http://tx-seabrook.civicplus.com/civicalerts.aspx?AID=245>

BAHEP is now part of the Facebook and Twitter network providing its members and followers yet another way to keep up with its activities.

Like us on Facebook at: <https://www.facebook.com/BayAreaHoustonEcon>

Check out our tweets at <https://twitter.com/BAHEP>.

Economic development doesn't happen by itself! If you would like to know more about how you can support our economic development initiatives and have the opportunity to work with the region's business leaders, please contact Membership Director Harriet Lukee at 832.536.3255 or Harriet@bayareahouston.com.

[Clear Lake Shores](#) • [Dickinson](#) • [El Lago](#) • [Friendswood](#) • [Houston](#) • [Kemah](#) • [La Porte](#)
[League City](#) • [Morgan's Point](#) • [Nassau Bay](#) • [Pasadena](#) • [Seabrook](#) • [Taylor Lake Village](#) • [Webster](#)

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