



A publication of Bay Area Houston Economic Partnership  
[www.bayareahouston.com](http://www.bayareahouston.com)

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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 aerospace engineering, biotechnology/bioscience, specialty chemicals and plastics, and information technology and communications. BAHEP partners with 13 cities and Galveston and Harris counties, in southeast Texas, to foster economic vitality through regional collaboration.

## Commercial / Office / Industrial Development

PinnacleAIS LLC has purchased an 18-acre site in **Pasadena** on Allen-Genoa and Hernandez Roads where it plans to build its state-of-the-art, eco-friendly corporate campus. Construction could begin in late 2009, and the sooner the better, since the company is hiring and expanding its employee base each quarter. In the past year, PinnacleAIS increased employees by 300%. The company is a leading provider of services and technology specializing in improved asset integrity for the petroleum and chemical processing industry. To accommodate immediate growth, PinnacleAIS plans to lease interim space near **Ellington** Airport.

The walls are up at StarCon's new 40,000+ SF complex on Fairmont Parkway in **La Porte**. It is a general contractor doing construction, maintenance and turnaround for the petrochemical industry. The company is building on six of the 15 acres it purchased and will hold the rest for future development.

A speculative building, suitable for company headquarters, will be underway soon on Hwy. 225 and Beltway Green in **Pasadena**. Planned is a 31,900 SF facility on 3.44 acres of land -- tilt wall, 20-ton crane ready, dock-high and grade level, 28' clear height with expansion room and outside storage available. Delivery is planned for May.

So noted! In the *Houston Business Journal's* 'Largest Houston-Area Technology Employers', ranked by the number of local employees, seven of the top 25 companies have offices in Bay Area Houston. They are #2 Jacobs Engineering Group, #9 Barrios Technology, #10 Science Application International Corp., #11 MEI Technologies Inc., #12 GHG Corp., #23 RSA Corp., and #25 Anadarko Industries LLC. (*October 24-30, 2008 issue*)

HealthGrades has recognized **Pasadena's** Bayshore Medical Center with a five-star rating for clinical excellence in maternity care. The hospital has been the recipient of the Maternity Care Excellence Award, the Five-Star Rating for Maternity Care and ranked in the top 10% nationally for maternity care for five years in a row.

The new **Galveston** National Laboratory on the campus of the **University of Texas Medical Branch** passed hurricane muster with flying colors! It's expected to contribute an estimated \$1.4 billion to the Texas economy over the next 20 years as scientists address the most critical emerging infectious diseases and bioterrorism threats. The lab was formally dedicated this week after five years of planning and construction.

Dedicated ER for children – new to the area! **Webster's** Clear Lake Regional Medical Center has opened the Pediatric Emergency Department – seven exam rooms and a colorful waiting area are ready for little patients, infants to age 17. The hospital is also home to the Pediatric Intensive Care Unit, a 10-bed unit for critically ill children.

*NOTE: Please feel free to pass this e-newsletter along to others who would enjoy it, and, whenever possible, remember to credit Bay Area Houston Economic Partnership for this information.*

**Seabrook** is now home to the Renewable Energy Group's new biodiesel facility. Recently opened in September, the 35-million-gallon-per-year plant, called REG Houston, will produce B100, a clean-burning biodiesel fuel made from soybean oil. In the future, REG hopes to use algae oil, a cheap and abundant feedstock. Seabrook gives the company a strategic hub on the Gulf Coast to distribute the alternative fuel through the South as well as exporting it overseas. This is the company's ninth facility, and its total network capacity is nearly 300 million gallons of biodiesel per year.

RiverBend, a new waterfront development project on the south shore of Clear Creek in **League City**, has been approved by planning and zoning but awaits approval by the city council after plans are resubmitted. Details of the project are 320,000 SF of commercial office and medical space, 50,000 SF of retail, a 142-room hotel, 16,000 SF of restaurant space and 750 multi-family units.

*Are you looking for office space in Bay Area Houston?*

Please check out the latest report for contiguous office space – 5,000+ SF.

<http://www.bayareahouston.com/DATA/Home/RealEstate3/BayAreaHoustonOfficeSu/Bay%20Area%20Houston%20Office%20Summary%20110708.PDF>

*Transactions .....*

- 91,000 SF FEMA leased the former SPACEHAB building at 12130 Highway 3 (**Houston**) – short term.
- Two floors have been leased at Galaxy II, the new 110,000 SF Class A office building in **Webster** on Medical Center Blvd. at Feathercraft. It appears that Jacobs will be a tenant in the building.
- 30,000 SF Global Tech Motors leased a building at 2510 Beltway 8 in **Pasadena**. Darren O'Connor and John Clark / NAI Houston represented the tenant.
- 28,500 SF Unidym leased space in **Bayport** North Industrial Park.
- 16,178 SF Wyle Laboratories leased space at 16055 Space Center. ■ Renewals: Albemarle - 16,400 SF at Two Corporate ■ Automation Solutions - 6,931 SF at 16055 Space Center. Dena Wren / CBRE represented the landlord and Derrell Curry / Studley, the tenant. (**Houston**)
- 12,700 SF Auto-trol renewed their lease at 16441 Space Center (**Houston**). Derrell Curry / Studley represented the tenant and Kim Grizzle / PM Realty, the landlord.
- 9,450 SF DRDA, P.C. leased space at 1120 Bay Area Blvd. (**Houston**). Derrell Curry / Studley represented the tenant; the building owners, Jerry Pennington and Bill Chen, represented themselves.
- 4,109 SF Knighthawk Engineering renewed their lease at Camino Center II (**Houston**). Kim Grizzle of PM Realty Group represented the landlord.

- Changing hands Honolulu's Alexander and Baldwin Inc. purchased a 312,522 SF building at Republic Distribution Center, 10525 Red Bluff Rd. in **Pasadena's Bayport** Industrial District. The buyer is the parent company of Matson which has global subsidiaries in port terminals, navigation, logistics and distribution. ■ Also, a mystery buyer has purchased the 49+ acre Fairmont Industrial Park in **La Porte**. The new owner plans to break ground by year's end for an industrial development. ■ Twenty Twenty Properties purchased Camino Center I and II at 17629 and 17625 El Camino Real - totaling approximately 160,000 SF and Armand Plaza, a four-building park totaling 64,000 SF - at 16441 Space Center Blvd.

**NEED FREE TECHNOLOGY TO GROW YOUR BUSINESS??** Space Alliance Technology Outreach Program (SATOP) has an available team of NASA engineers and scientists from more than 20 aerospace companies, colleges and universities throughout the state that utilize their aerospace expertise to solve technical / engineering challenges for businesses. In 2006, SATOP assisted 125 Texas companies. To learn more about this free program and view SATOP success stories, visit [www.spacetechnologies.com/bahep](http://www.spacetechnologies.com/bahep).

Did you know that many of the products used for boating and fishing were reaped from NASA technology? For example, flexible fiberglass fishing rods evolved from the development of space capsules.

Epoxies that are used to bond everything from rod tips to metal parts on engines started with their use on rockets under extreme conditions. Electronics, like depth finders and GPS systems, had their origin with NASA. Rust-proof and anti-corrosion coatings that manufacturers use for outboard engines stem from the technologies developed for the metals in the rocket, space capsule and shuttle construction.

There's more to this story in the October issue of the *Bay Area Houston* magazine, celebrating the 50<sup>th</sup> anniversary of NASA. [http://www.baygroupmagazines.com/Uploads/mags/BAHM\\_1008.pdf](http://www.baygroupmagazines.com/Uploads/mags/BAHM_1008.pdf)

## Retail / Hospitality Development

**Kemah** Boardwalk has reopened the 52-room Boardwalk Inn, Joe's Crab Shack, Chart House, Cadillac Bar, Babin's Seafood House and Saltgrass Steak House. Look for more to open by Thanksgiving! The amusement area will be open by spring break.

Moody Gardens 428-room Hotel, Spa and Convention Center on **Galveston Island** sustained only minimal damage and is open for business! The Aquarium Pyramid, Ridefilm Theater, Colonel Paddlewheel Boat, and Discovery Museum are open. The 4-D FX Theater and the IMAX 3D will open this month; the Rainforest Pyramid will open in three to nine months. Also, the Moody Garden Golf Course has reopened!

Work is progressing at **Nassau Bay** Town Square. Negotiations are underway with Bullrito's and several other concepts that are a mix of local, regional and national restaurants; Ninfa's has signed.

Home Depot at Baybrook Center, northeast corner of El Dorado and I-45 in **Houston**, will open at the end of January. Still available for small or anchor parcels is 60,000 SF plus six pad sites.

City of **Friendswood** recently received the results of an analysis report that examined retail development opportunities in the city. The ROAN Report measures the balance between the retail supply and retail demand in the city and looks at opportunities in a three, five and seven-mile radius from FM 528 and FM 518. As an example, the report revealed there is a 69% unmet market capacity for restaurants within a three-mile radius of that intersection. To view the full report, go to: <http://www.ci.friendswood.tx.us/NR/rdonlyres/1885D33E-0C48-4236-A43B-8DABC68952F0/0/FriendswoodROANReport.pdf>

Fairmont Crossing, a 20,000 SF retail center, is ready for tenants at Fairmont Parkway and Center Street in **Pasadena**. Negotiations are underway with a restaurant, nail salon, hair salon, and title company; a 5,000 SF ReMax office has signed.

### Coming Soon

**Webster** - Genghis Grill at 510 W. Bay Area Blvd.

*League City* - Dollar Tree at Victory Lakes Town Center; AMOCO Federal Credit Union at Tuscan Lakes  
*Dickinson* - Gio's Pizza & Pasta on FM 517 west

*Now open*

*Webster* - ICON Bank at 16610 Hwy 3; Beyond Floors at 528 W. Bay Area Blvd.; Marble Slab at 20911 Gulf Fwy, Tili's Restaurant at 720 West NASA Parkway

*League City* - TJ Maxx, Ross, PetSmart & Michaels at League City Towne Center; JC Penney Co., Starbucks, Shoe Carnival & Mattress Firm at Victory Lakes Town Center; Sears Appliance, Silver Cache at Bay Colony; Park Avenue Showplace (antique store) at 447 Hwy 3

*Friendswood* - All Star Chicken at 129 W. Parkwood

*La Porte* - JSC Federal Credit Union at 607 W. Fairmont Pkwy.

## Residential Development

- The Haven, a 302-unit apartment project, has been approved for Beltway 8 near Crenshaw Road in **Pasadena**. Nearby are several medical office projects currently underway, a 75,000 SF long-term care facility under construction, a hospital and lots of retail and restaurants.
- Baywood Apartments, a 336-unit complex, is proposed, with preliminary approval given, at Red Bluff Road and Genoa-Red Bluff Road in **Pasadena**. The project is on the site of the former Baywood Country Club, not far from the Pasadena Convention Center and rodeo complex.

Did you know that **Friendswood** and **League City** were recently named two of "America's Top-Rated Smaller Cities" for 2008? They are two of the eight Texas cities on the Grey House Publications list; they're ranked by population growth, median income, unemployment rate and crime rate.

- Planned in **Friendswood** at FM 528 and Lundy Lane -- The Estates, a 23-lot subdivision.
- Beacon Island progress: the bulkhead, waterfront promenade, utilities and streets are complete. The bridge, entryway and pilot house should be finished in the first quarter of 2009. Estate home site construction is expected to begin soon; announcement of builders for the first condominium and town home/patio home properties is expected in 2009. It's only right that the village circle will be named 'Alan Shepard Plaza' in honor of American's first astronaut in space and for his entrepreneurial vision and leadership in this community. Which brings me to ask ....

Do you know the legend and lore of the lighthouse on Beacon Island? It was Alan Shepard's influence that the black and white lighthouse became a primary symbol for the South Shore Harbour development in **League City**. The lighthouse resembled the Cape Canaveral Lighthouse in Florida, which was the last sight on earth that Shepard recalled seeing as he blasted off in space.

For the rest of the story, please visit [http://www.beacon-island.com/newsand\\_101008.html](http://www.beacon-island.com/newsand_101008.html)

## Infrastructure News and Everything Else!

Bonds passed in **Galveston County**! The \$165 million package will pay for road upgrades, improved drainage, facility renovations and new buildings. Some of the projects are:

- Building a bypass to ease congestion at **League City's** FM 270 / FM 2094 / FM 518 intersection, a \$17.2 million project. The bypass would start on FM 518, south of the intersection, and loop northeast, around the intersection to cross FM 2094 and eventually connect to FM 270 farther north.
- Improvements on FM 518 in downtown **Friendswood** and to widen Melody Lane to three lanes. This will accomplish major drainage relief from flooding problems.
- Clearing and de-snagging **Dickinson** Bayou and alleviating flooding in the bayou's watershed.
- Alleviating long-time flooding problems along Clear Creek in **Friendswood**, a \$10 million project.

City of **Webster** has adopted a Green Commercial Building Tax Abatement Program to work in tandem with Harris County's same tax abatement. Webster's first program recipient will be 253 Medical Center Boulevard, a project of Jacob White Construction. The 48,000 SF building has been pre-leased to IDEV Technology. The actual benefit of this program does not begin until construction is completed and the certification has been granted. Applications must be filed before breaking ground. The value of the tax abatement is calculated based upon the appraised value of the facility after it is LEED certified. Minimum value increase attributable to LEED certification must be at least \$100,000.

Big contracts awarded! United Space Alliance was awarded a three-year, \$206.5 million contract by NASA for flight operations work for the Constellation and International Space Station programs. It's reported that this project could have up to 700 employees working on the contract. And, Lockheed Martin has been awarded a \$667.3 million contract by NASA. The contract will provide integrated support for the hardware, software, data and displays used to train for and execute human spaceflight missions. Two one-year extension options are included in this contract which would increase the total contract value to \$977 million.

The City of **Seabrook** is considering an economic development incentive agreement with a developer in the form of a loan to pay the city's permit and impact fees. The project is a Springhill Suites that would be built on NASA Parkway, just west of SH 146. It's up for approval with the EDC and council.

The final report of the regional water transportation feasibility study was presented to the **Seabrook** Economic Development Corporation, and it was approved! A copy of the report will be available soon on <http://www.bayareawaterbornestudy.com/>

**Dickinson's** new city hall and library complex is on schedule to open in early May 2009. City hall is approximately 22,750 SF and the library, 12,300 SF. Location is FM 517 east and SH 3.

Good News! The **University of Houston-Clear Lake** may expand to become a four-year school! Compelling reasons -- there's plenty of room on campus to expand; they could offer a financially-competitive higher education; population and enrollment trends favor the expansion; and, it would help attract new and expanding companies to the area. If the UH chancellor and regents like the idea, the next step would be approval from the Texas Higher Education Coordinating Board and the Texas State Legislature. Sounds like a winner!

Did you know student enrollment is 36,098 at the **University of Houston** central campus  
And 7,639 at the **University of Houston-Clear Lake**?

ITT Technical Institute, 1001 Magnolia Avenue in **Webster**, is adding bachelor of science degrees in construction management, electronics and communications engineering technology, and information systems security. The new programs will start in December at all three locations in the Houston area.

**San Jacinto College** and the **University of Houston-Clear Lake** have entered into a reverse transfer agreement that will permit eligible and interested students to transfer certain course work from UHCL to SJC to complete requirements for an associate degree. This will benefit former SJC students by providing them an associate degree, at no cost, which can improve their earning potential while they continue pursuing their bachelor's degree.

The new **Bayport** Cruise Terminal had a good trial run playing host to the Carnival Cruise ships while the Port of Galveston was cleaning up after Ike. Since last weekend, Carnival is back home in Galveston, and the Bayport terminal is in talks with several cruise lines. Officials expect cruise terminal construction at Bayport to be complete by year's end. Then ..... it's smooth sailing!

Did you know the marine cargo and cruise ship traffic at the **Port of Galveston** generates more than 11,000 direct and indirect jobs and pumps \$1 billion into the Texas economy?  
In a study commissioned and recently released by the port, more than \$83.7 million in wages and salaries were generated based on 211 cruise ship calls. Carnival's *Ecstasy* and *Conquest* are again sailing from

the Port; Royal Caribbean's *Voyager of the Seas* will arrive in December.

**Ellington Field** will receive \$7.6 million to build an air support operations squadron. This will enable pilots to communicate with a centralized support center when their missions call for integration with ground forces. Funding will be used for personnel, radios, vehicles and mobility equipment to assist in maintaining a mission-ready aircraft unit at the field.

**Road News .....**

**---Pasadena**

- Construction has begun on the widening of Fairmont Parkway from Beltway 8 to Pansy. Completion is expected by the end of November, just in time to alleviate heavy traffic during the holiday season.

**---Dickinson**

- Work has started on the FM 646 project from FM 517 west heading toward FM 1764 in Santa Fe. A turn lane is being added for the stretch.

**---Big Stuff**

- The new **Galveston** causeway has opened! The \$135 million project is 144 feet wide and 8,592 feet long ..... it has three traffic lanes, an auxiliary lane and 12-foot shoulders on each side. Auxiliary lanes exit to Harborside Drive going south and Tiki Island going north.
- The SH 146 expansion through **La Porte** south to Red Bluff Road has resurfaced ...as far as design is concerned. The project was 30% complete, then put on hold due to a lack of funds. City and Port of Houston officials want to make sure the improved design will take into account the current traffic figures. A TxDOT meeting concerning the Hwy. 146 expansion is scheduled for Tuesday, Nov. 18, at La Porte High School. The open house is 6-7 PM and the public hearing begins at 7 PM.

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 our Membership Services Representative, Harriet Lukee, at 281.486.5535 or [Harriet@bayareahouston.com](mailto:Harriet@bayareahouston.com).

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