



A publication of Bay Area Houston Economic Partnership
www.bayareahouston.com

Issue 31 – August 13, 2009

In this Edition...

Commercial/Office/Industrial Development
Retail / Hospitality Development
Residential Development
Infrastructure News and Everything Else!

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 270 member companies, 13 cities, Galveston County, Harris County and the Port of Houston Authority in southeast Texas, to foster economic vitality through regional collaboration.

Commercial / Office / Industrial Development

ERF Wireless, a broadband wireless product and service company, moved its CryptoVue manufacturing and testing facility from the Austin area to its **League City** headquarters. The move will give CryptoVue, a network security system marketed primarily to the banking industry, better access to research and development besides reducing the cost of operating separate facilities. Eight employees will be added to the current staff of 40+.

Wyle's Integrated Science and Engineering Group has been awarded a \$201 million option for its Bioastronautics Contract, continuing support to the Space Life Sciences and Engineering Directorates at NASA – **Johnson Space Center in Houston**. The Bioastronautics Contract provides support to all major NASA human space flight programs with activities at JSC, other NASA centers and in Russia. The contract team is comprised of several large and small Houston businesses, including Barrios Technology, Bastion Technologies, Enterprise Advisory Services, Futron, Lockheed Martin, MEI Technologies, the University of Texas Medical Branch at Galveston (UTMB), JES Tech, and LZ Technology. The contract has a value of \$976 million with a period of performance through April 2013.

In **Webster**, construction is again underway at Blossom Street and SH 3 -- where the developer is building a state-of-the-art 375,000 SF hospital. Negotiations are currently underway with several potential hospital operators. Original plans called for a 375,000 SF facility, 175-beds, 10 operating rooms, 22 emergency treatment rooms, and a six-story parking garage ... a \$160 million investment.

Hard Hat Area! **Galveston's** University of Texas Medical Branch will begin approximately \$1.4 billion in new construction projects. Over the next few years, most of the work will be repairing damage from Ike and protecting the 120-acre medical campus from future hurricanes or storms – for instance, moving infrastructure like pipes and wiring, laboratories, and offices from lower floors. The largest project is building a replacement facility for the Jennie Sealy Hospital. Expected costs are \$438 million; construction will begin within two years on the 214-bed hospital. Although the 370-bed John Sealy Hospital and emergency room are open, repairs still need to be

made and will cost approximately \$266 million. Funding will come from a variety of sources – FEMA, the Sealy & Smith Foundation of Galveston, State of Texas, insurance and general revenue. UTMB hopes to get construction approval in August, and then requests for proposals for construction managers will be sent out. Selected firms will send bids out to contractors.

More news UTMB has been granted a five-year, \$21.5 million translational research grant by the National Institutes of Health. Funds will be used to support teams of researchers pushing to transform biomedical discoveries into clinical innovations. Molecular biology applications can be used to diagnose and treat severe asthma, new therapies for burns, and new methods to fight aging-related muscle loss, for example.

A large distribution firm is looking at two sites in **League City**, near Interstate 45 and the League City Parkway, for a new facility. Owners of both sites are currently making infrastructure improvements to their properties to accommodate the prospective business.

Edgewood Business Park will be built on Edgewood Drive (FM 2351), just south of **Friendswood** Drive. Ten buildings are planned totaling 50,000 SF; first phase is 10,000 SF, LEED certified. Green measures include a soil roof to insulate and capture rainwater, cisterns to collect water that will be used for watering plants and flushing toilets and recycled materials for wallpaper, paint and flooring needs.

Land has been cleared in **League City** for a 78,000 SF commercial center on FM 518 and Landing Boulevard by a local developer who hopes to lure retail, medical-related businesses, banks and restaurants.

Congratulations to**Pasadena's** Bayshore Medical Center! They are receiving a Quality Improvement Achievement Award by TMF Health Quality Institute.

Putting the money to work!

- **Port of Houston Authority** received \$611,446 in stimulus money from the U.S. EPA. It will be put toward replacing and repowering older diesel equipment – cargo handling equipment, marine engines and heavy-duty trucks.
- City of **Nassau Bay** received \$2.5 million from the Economic Development Administration (federal grant for projects following Hurricane Ike). The money will be used to build the infrastructure needed to develop the Nassau Bay Town Square that includes the new city hall complex at NASA Parkway at Saturn Lane. The project is expected to generate \$150 million in private investment, bringing new industry and more than 400 jobs to Bay Area Houston.
- City of **Friendswood** received \$2 million from the Economic Development Administration. Funds will construct water and sewer infrastructure lines to serve approximately 300 acres of land along FM 2351 and Beamer Rd. going west.
- University of Texas Medical Branch at **Galveston** received \$10 million to help create jobs and boost private investment by making building improvements needed to increase the efficiency and productivity of the university's biomedical incubator.
- Three million was approved for funding under the stimulus plan to widen turns for truck traffic on Beltway 8 frontage roads in **Pasadena**.
- City of **Seabrook** was awarded \$3 million from the Economic Development Administration which will be used for roadway and utility infrastructure improvements at The Point.

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.

Transactionskeeping up the pace!

- 65,000 SF John Crane Inc. will occupy a facility for its seals division; it will be built at **Bayport** North Industrial Park. The company designs and manufactures seals and associated products mainly for the oil & gas, chemical, pharmaceutical, pulp & paper and mining sectors.
- 10,000 SF Pennsylvania Tool Sales Services Inc. leased space at 16920 Texas Avenue in **Webster**. The Youngstown, Ohio-based company will use this space for its general industrial distribution of tools, sales and rentals. *BAHEP member Alliance Commercial Investments – Pete Zamora represented the landlord.*
- 7,312 SF NuStar Energy leased space at Two Harbour Square in **League City** on Marina Bay Drive (FM 518). The company is relocating its regional operations from Texas City; this office is one of five that NuStar maintains across the country. Occupancy is slated for late this summer.
- 7,194 SF RSA Corporation, a consulting firm that provides staffing solutions, technical services, and project management in information technology, leased space at 16969 Texas Avenue in **Webster**. *Colliers International represented both sides – Greg Cizik and Edward Edson for the tenant; Gary Mabray, Bob Parsley and Walker Barnett for the landlord. Both RSA Corporation and Colliers International are BAHEP members.*
- 6,000 SF Excalibur Almaz leased space at 902 Gemini in **Webster** with occupancy expected October 2009. It is a space exploration company.
- 3,852 SF Alamo Title Co. leased space at 100 Cyberonics (**Houston**). *BAHEP member Griffin Partners – Jason Long represented the tenant.*
- 3,600 SF leased for a dental office at Challenger Plaza, 803 E. NASA Parkway in **Webster**.
- 3,428 SF Memorial Hermann leased space for medical offices at 4804 Beltway 8 in **Pasadena**.
- 3,239 SF Mecor USA Inc. renewed and expanded at 711 W. Bay Area Blvd. in **Webster**. *BAHEP members NAI Houston - Dan Boyles and Josh Cheatham represented the tenant and PM Realty - Erik Haugen, the landlord.*
- 3,151 SF Petrocom LLC leased at 711 W. Bay Area Blvd. in **Webster**. *BAHEP members NAI Houston - Dan Boyles and Josh Cheatham represented the tenant and PM Realty - Erik Haugen, the landlord.*
- 3,053 SF Selah Financial Services leased space at **Houston's** Baybrook Office Park South, 1550 W. Bay Area Blvd. *BAHEP member 2020 Properties is the landlord.*
- 3,000 SF Orbital Sciences Corporation, based in Dulles, Va., leased at 16055 Space Center Blvd. in **Houston**. *BAHEP member Colliers International – Jay Kyle represented the landlord.*
- 3,000 SF ECS (Electrical Contracting Services) leased at 16055 Space Center Blvd. in **Houston**. The company builds transmission lines throughout the U.S. *BAHEP member Colliers International – Jay Kyle represented the landlord.*
- 2,649 SF San Jacinto College District expanded their space in **Pasadena** at 4620 Fairmont Parkway. They now occupy 6,843 SF. *BAHEP member Colliers International – Marshall Clinkscales and Bruce Wallace represented the landlord.*
- 2,500 SF Prime Capital Group leased space at 16815 Royal Crest in **Houston**.
- Innovative Technologies Inc. leased four offices at 16850 Saturn Lane in **Houston**. The company is a global visual communications, engineering, and information technology firm that provides world class products and services to federal clients and is a *BAHEP member!*
- 2,000 SF ManTech International Corporation leased space at 2625 Bay Area Blvd. in

Houston. The company is a defense contractor for the U.S. government and a *BAHEP member!*

Are you looking for *real estate* in Bay Area Houston? Please check out this page for the latest reports<http://www.bayareahouston.com/Home/RealEstate3/>

- *Contiguous Office Space – 5,000+ SF*
- *Industrial and Flex Space – 5,000+ SF*

NEED FREE ENGINEERING ASSISTANCE FOR ONE OF YOUR PRODUCTS OR SERVICES?? *Space Alliance Technology Outreach Program (SATOP) has recently completed assistance to a company who is developing a new type of wind turbine to be mounted to the top of buildings. SATOP engineers assisted the company in identifying a braking system to incorporate into their product that will slow the turbine blades down in high wind so it does not spin too fast and destroy itself. SATOP has an available team of engineers and scientists from the NASA Johnson Space Center and more than 20 aerospace companies and colleges which utilize their aerospace expertise to solve technical / engineering challenges for small businesses. Since 1999, SATOP has assisted over 600 Texas companies. To learn more about this free program and view some of SATOP's success stories or submit a request for technical assistance, visit www.SpaceTechSolutions.com/bahep.*

Retail / Hospitality Development

La Quinta is planning a new hotel in **League City** near Big League Dreams ballpark complex on the west side of the Gulf freeway. The 64-room La Quinta and Comfort Inn, also planned for that same area, will provide much-needed rooms for visiting baseball teams.

*Did you know the big box retailers who have built at the intersection of I-45 and FM 646 in **League City** since 2008 have projected total annual sales exceeding \$253,574,000?*

The Egg and I, an upscale breakfast and lunch concept, is opening at 557 W. Bay Area Blvd. in **Webster**. The entire menu is served from 6 a.m. to 2 p.m. (7 a.m. on Sunday). This is the restaurant's fourth location in the Houston area – opens late September.

*Did you know that soon **Webster** will have 15 hotels with more than 1,300 rooms? Two more are still under construction when they're open, the room count will surpass 1,500!*

Sleep Inn and Suites will be built in **Friendswood** on FM 528 and San Joaquin Parkway – 60 rooms, three stories.

Hampton Inn on Beltway 8 and Crenshaw in **Pasadena** is underway; four stories, 90 rooms. A Holiday Inn Express is planned for the same area.

*Did you know the **Moody Gardens** complex in **Galveston** attracts two million visitors a year?*

Latest news on **Nassau Bay** Town Square – Five Guys (burgers), Verizon, and Baker St. Pub are signed. Letters of intent are out for a wine bar, a 'wings' restaurant and a fast-casual Mexican restaurant. Streets will be completed in 45 days; retail construction will start thereafter. [Nassau Bay Town Square](#)

Former restaurant space at 1109 Bay Area Blvd. in **Houston** was sold. *BAHEP member United Equities – Doug Freedman represented the seller.*

*Did you know the Food Network filmed **Kemah's** popular eatery, T-Bone Tom's Steakhouse for the 'Diners, Drive-ins and Dives' segment? Watch for it in late August or early September.*

Arlan's Market is adding 10,000 SF to its 4614 NASA Parkway location in **Seabrook**.

Coming Soon

Baybrook Mall - Shasa, a trendy global retailer selling collections of lingerie, accessories, shoes, luxury apparel, swimwear, and denim, expects to open this fall. This will be the second location in the greater Houston area.

Baybrook Passage - Staples opens Sept. 14th

Friendswood - AMOCO Federal Credit Union plans to build at Winding Way and FM 528 - 7,700 SF; Parkwood Animal Hospital at 1301 W. Parkwood Ave. providing medical, surgical, dentistry, wellness and prevention services for pets - 5,000 SF

League City - at League City Towne CenterLogan's Roadhouse should be ready early September -- Staples is under construction for a spring 2010 opening.

Pasadena - Bullritos at Beltway 8 and Crenshaw

Houston - Food Town plans to open this month, corner of El Dorado Blvd. and SH 3.

Now Open!

Baybrook Mall - Vitamin World; Francesca's Collection, a boutique store carrying gifts, apparel, home accessories and jewelry; Grand China Buffet, in the former Luby's space; Subway, in the food court

Webster - Juarez Produce Market at 418 W. NASA Pkwy; Spence Diamonds at 1251 W. Bay Area Blvd. at Baybrook Square; First Community Bank at 251 Medical Center Blvd.; Jingo's Asian Mart at 16928 SH 3; Marriott Springhill Suites at 1101 Magnolia Ave.; CrossFit in Common, a personal training facility, leased space at 16920 N. Texas Avenue; Hilton Garden Inn and restaurant, The American Grill, on W. Texas Avenue (opens Aug. 19th)

Pasadena- Dynasty Buffet opened at the corner of Spencer Highway and S. Burke Rd.; El Rincon Guanaco opened a 3,136 SF restaurant at Spencer Highway and Blueberry Lane

League City - AMOCO Federal Credit Union at 1692 E. League City Parkway; La Brisa Mexican Bar & grill on Wesley Drive; Wing Stop, McDonalds, and Maurices (clothing store, casual & special occasion) at League City Towne Center

Friendswood - Chillin' Time Smoothie Bar at 105 Shadwell Lane; Stefano's Pizzeria at 106 S. Friendswood Drive; Tuesday Morning is moving to a larger location at FM 2351 and Friendswood Drive

Residential Development

- The Towns on Clear Creek – 84 townhomes will be built at Riverbend on Wesley Drive in **League City**. The plan calls for one, two and three bedroom homes in an expected price range starting near \$175,000. First phase is 42 townhomes. Project will be adjacent to a small boat marina, jogging trails and a Metro park and ride.
- Beacon Island – The site plan has changed to accommodate more single family homes. Estate lots are selling now; the streets are paved. Check it out – end of Lighthouse Boulevard off FM 518 in **League City**!
- Edgewater – The newest neighborhood in **Webster** is now open! Two builders have been chosen to start construction on the first phase – 40 lots, priced from the \$270's. Edgewater is a Mediterranean-themed development with sidewalks, elegant palms, tropical landscaping and a 35-acre nature preserve along Clear Creek that connects with a trail system. It will include a town center with retail, commercial and residential components (including homes on private canals), and a marina accommodating boats up to 50 feet. Boaters will have access to Clear Lake and Galveston Bay. Total build-out is approximately 400 homes.

Infrastructure News and Everything Else!

Two million dollars have been approved by the Senate Appropriations Committee that will advance the **Galveston-Houston** Commuter Rail Corridor Project into its preliminary engineering phase and will pay for an environmental analysis of the 51-mile rail line. Existing rail along SH 3 would be used. Estimates are that the rail could carry 11,500 passengers a day and bring more than \$1 billion in new, private investment along the rail corridor as well as the savings in gasoline and pollution.

A marine emergency building, about 4,600 SF, will be constructed at the **Bayport** Container Terminal. Total cost is expected in the \$1 - 5 million range.

A consultant has been hired to do a conceptual planning study for the proposed **Port of Galveston** - Pelican Island container terminal; Port of Houston is also a partner in this project. The 1,200-acre site will be evaluated for all considerations – environmental, geotechnical, layout, market projections, costs and traffic. If the project is found to be feasible, the work will lead to a master development plan. The new terminal could be developed within the next seven years.

Harris County is taking bids on the new courthouse annex to be built at SH 225 at Richey Street, a \$16.8 million project. The new facility will offer a full range of services and is expected to be ready late 2010.

Port of Houston Authority awarded two contracts – one, valued at \$7.9 million, for the construction of the Bayport Terminal administration building – the other, valued at \$14.2 million, for the Bayport Terminal maintenance and repair building.

BAHEP is working with other organizations and elected officials in southeast Texas to advance the feasibility analysis of an extended seawall and floodgate system that would protect the **Galveston** Bay ecosystem and its neighboring upper-Gulf Coast Texas communities from future storm surges. A similar design is used in The Netherlands and has held back storm surge from the North Sea for years. This solution has been coined the "Ike Dike" by Dr. William J. Merrell, Texas A&M University – Galveston, who developed the concept for this area. To see a presentation about this idea, open this link and scroll to the bottom of the page to find "*The Ike Dike: Protecting the Houston/Galveston Region from Hurricane Storm Surge*" by Dr. William Merrell. [link to Texas A & M University - Galveston 'Ike Dike' presentation](#)

Congratulations to....

Money magazine ranked the city of **Friendswood** as No. 32 of the 100 best places to live in America for 2009. They also made the list in 2007, ranking No. 51. Focus is on smaller places that offer the best combination of economic opportunity, good schools, safe streets, things to do and a real sense of community.

City News

City of **Seabrook** has created an ordinance that will regulate The Point Overlay District. Specifically, a fishing village or nautical concept will be the guiding theme for the area. Grant money is being sought to raise Waterfront Drive, bury utilities under the road and install decorative lighting. Other development possibilities could include a boardwalk along the waterfront. This ordinance is the next step that Seabrook is taking to further its quality of life and tourism infrastructure.

Attention brokers! **Dickinson** Economic Development Corporation has approved and will soon be offering a GIS application to identify available land and lease space. This is a great marketing tool for you and your clients. www.dickinsontxedc.com

City of **Friendswood** has approved new tax abatement guidelines that include incentives for alternative 'green' commercial development in the city. Businesses can also apply for the standard tax abatement. Under both the alternative green and standard tax abatement guidelines, there is no application fee, and city property taxes may be abated for a business-friendly period of 10 years.

The **League City** Improvement District has been approved by Governor Perry. Business property owners in the district will be able to fund economic development projects, utility extensions or improvements such as landscaping, lighting, signs and mobility improvements through assessments or through sales tax revenue, with voter approval. Key areas for improvements include the city's Main Street corridor, the site of a future commuter rail station, and commercial areas along the proposed Grand Parkway corridor in League City.

Fifty-seven acres in **Kemah** may become the area's newest nature park. The property is just south of the Kemah Oaks subdivision.

Education news

- Totally Exemplary! The **Friendswood ISD** district and all six of its campuses have been given an Exemplary rating by the Texas Education Agency for 2009!
- **Clear Creek ISD**, the 29th largest school district in Texas, is once again ranked as a Recognized district by the Texas Education Agency with all 38 schools rated Exemplary or Recognized for 2009! Students are responding and graduating -- the district's completion rate increased from 95.9% to 97%!
- From Community College Week magazineOf the top 100 degree and certificate producing two-year colleges, which is about 1,000 community colleges nationwide, **San Jacinto College** ranks 40th as an associate degree producer. Its science technologies/technicians degree program ranked no. 5; the family and consumer sciences/human sciences no. 12; business, management, marketing and related support services no. 28; health professions and related clinical sciences no. 31 and nursing no. 39. The college is also 39th in awarding degrees to minority students and 44th on granting two-year certificates.
- Renovations are coming to **Friendswood High School**. An allocation of \$30 million will add approximately 80,000 SF of space to the school. Another \$23 million will be used for a two-story entrance building to house several offices, 20 classrooms, two large laboratories and four small laboratories in the science wing, kitchen space and more student seating in the cafeteria and 200 new parking spaces. Additionally, \$7 million is earmarked for a new natatorium featuring a 25-yard pool and seating for over 200+ participants and 200+ spectators.
- **University of Houston** is adding a nanoengineering minor to its programs available at the Cullen College of Engineering. Special emphasis will be on commercialization; students will get hands-on experience with nanotech instrumentation and fabrication techniques.

Road News

--- Pasadena

- In preliminary reviewPort Road will be rebuilt from SH 146 to Bay Area Boulevard. \$14 million project.

- Crenshaw Road extension will be finished soon. Connects Beltway 8 with Space Center Boulevard. \$7 million project.
- Genoa-Red Bluff Road work -- Phase I to widen and rebuild the road from Beltway 8 to Baywood Drive, just east of Space Center Boulevard, will start first quarter 2010 with construction lasting about one year. This section is a joint venture between Pasadena and Houston. Phase II will rebuild the road from Baywood Drive to Red Bluff Road; this section is in both Pasadena and Houston. Phase III will take Genoa Red Bluff Road to Fairmont Parkway which is in the ETJ (extra territorial jurisdiction) of Pasadena. Cost of project is \$34.4 million.
- Preparation is being done for phase one of the Southmore Avenue project; the street will be rebuilt from Richey to Johnson streets.
- Pansy Street will be rebuilt as a concrete road from Old Vista Road to Crenshaw Road. \$11.3 million project partially funded by Port of Houston Authority.
- Burke Road will be rebuilt as a four-lane road from Red Bluff Road to Southmore Avenue. The Port of Houston Authority will help fund this \$6.4 million project.
- Harris County will proceed with plans to rebuild Scarborough Lane between Southmore Avenue and SH 225. Construction bids open August 10th with a start date in December. Improvements will also be made to the city water and sewer lines. \$4.2 million project partially funded by the Port of Houston Authority.
- Main Street from SH 225 to Southmore Avenue is in design -- three-lane concrete road with curbs and gutters. \$7 million project.
- Pasadena Boulevard work: From Strawberry Road to Burke Road -- Harris County is paying \$4.5 million for the project. From Burke Road to Pansy Street and from Beltway 8 to Red Bluff Road -- Harris County and Port of Houston Authority will contribute \$7.3 million for this portion of the project.

---Webster

- Rice Creek Lane, phase 2, the extension to I-45, is in design; funding for construction is in place.

---La Porte

- Bids are out for the SH 146 flyovers at Wharton Weems, Red Bluff and the direct connector at Port Road. Construction should begin before the end of the year and will be completed in 18 months.

---League City

- Expected completion date is October 2009 for the League City Parkway to connect with Brittany Bay Blvd.
- Galveston County allocated \$9.92 million toward improvements to Calder Road, Louisiana Avenue and Caroline Street. The project consists of widening Calder and Louisiana to three lane curb and gutter and replacement of asphalt with concrete on Caroline.

--- Galveston County

- State Highway 3 between Deats Road in Dickinson and Emmett Lowry Expressway in Texas City has opened -- two lanes in each direction, north and southbound. This five-mile stretch cost \$23 million.

How "tweet" it is! BAHEP is now part of the Twitter network providing its members and followers yet another way to keep up with its activities. Check out BAHEP's 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 our Membership Services Representative, Harriet Lukee, at 281.486.5535 or Harriet@bavareahouston.com.

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

Copyright 2008 [Bay Area Houston Economic Partnership](#)
2525 Bay Area Blvd., Suite 640 • Bay Area Houston, Texas 77058
(281)486-5535 • (281)486-5068 fax
[Contact Us](#)

If this newsletter was forwarded to you, and you would like to subscribe, please email
info@bayareahouston.com .

Questions or Comments? info@bayareahouston.com

If you would like to discontinue your subscription to Business Development News, please email
info@bayareahouston.com.