



A publication of Bay Area Houston Economic Partnership

Issue 24 – February 21, 2008

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Bay Area Houston Economic Partnership represents two counties, 13 cities and more than 260 businesses. We are a member-driven organization, working behind the scenes for you, united by a shared vision for future prosperity. BAHEP's leadership is vital to the success of regional economic development — continuing to attract, retain and expand industries.

## Commercial / Office / Industrial Development

Head's up! Over 650 acres will soon be available for development at **Ellington Field**. Best uses are aviation, institutional, office and industrial. This area is less than three miles from the intersection of I-45 and Beltway 8. Details will be available very soon.

The City of **La Porte** plans to send out an RFQ (Request for Qualifications) in the next week for a development opportunity. The project is a full-service hotel and conference center at Sylvan Beach; desired opening is early 2011 or sooner.

Lockheed Martin opened its new 10,000 SF Exploration Development Laboratory (EDL) on Forge River Road in **Webster**. The \$55 million laboratory is a state-of-the-art test facility operated/managed by Lockheed Martin and its teammates United Space Alliance and Honeywell. This new facility will be the prime location for the design, development, testing, and evaluation of the Orion crew exploration vehicle. An initial 200 jobs will be created at the facility, with additional positions expected in the future. Read the complete story at <http://www.guidrynews.com/story.aspx?id=1000006027>.

**Friendswood** has approved an economic grant for The Design Center, a 21,600 SF 3-story office and retail development to be constructed on Friendswood Drive. The grant will reimburse the developers up to \$30,000 for fees paid to the City relating to the construction and development of the project. The \$2.2 million center will be home to Crystal Creek Developers, P.E. Square Engineering Consultants and Everest Design Group. Approximately 15,600 SF will be available for lease in the building; groundbreaking is expected in April. This is the third grant of its kind to be awarded by the City.

UTMB-**Galveston** has just approved a \$90 million research facility to be built on the island at 6<sup>th</sup> Street and Harborside Drive. Construction would begin in early 2010 and be completed by 2012. Planned is a 140,000 SF facility; 76,000 SF will be for research. On another note, the University just received a \$3.4

million grant to develop what may become the first effective drug to help conquer cocaine addiction.

Griffin Partners are moving forward with plans to demolish the old **Nassau Bay** city hall, 1800 NASA Parkway, fire station and another 11 low-rise office buildings on the 27 acres they purchased last year. Six of the buildings front NASA Parkway. Development plans call for multi-family housing units, a hotel and conference center, shops and office space. The multi-family residential housing will be built by Martin Fein. City Council is expected to give final approval of this project at their meeting on February 25<sup>th</sup>.

**Friendswood** recently approved a new Downtown Zoning District. It allows for --- Mixed-uses of office, retail and residential space -- Building heights up to 70 feet --- 15-foot sidewalk/pedestrian area that includes 4 feet for street amenities and landscaping --- Zero setbacks from some lot lines --- and provisions for shared and off-site parking.

The City just received its 2007 annual crime report showing crimes per 1,000 residents at 15.42 which is very low compared to other communities. There are 1.5 officers per 1,000 residents (56 sworn officers) for the current population estimated at 36,902.

St. Luke's Clear Lake Hospital has broken ground in **Webster** at 200 Blossom St. at Highway 3. The 375,000 SF facility will have three medical/surgical floors, each with 36 patient rooms. Included are 10 operating rooms plus endoscopy procedure rooms, emergency department treatment rooms, pre-op and post-anesthesia care beds, intensive care beds, labor & delivery and newborn intensive care beds. Completion is expected late 2009 or early 2010.

Medical-related businesses are streaming into **Bay Area Houston!** The 55-plus population in the region is rapidly growing; currently, it accounts for 18 percent of the population and is projected to increase to 21 percent by 2011. Location is another factor. This region is halfway between the Texas Medical Center and the University of Texas-Medical Branch (UTMB) in **Galveston**. Two noticeable trends fuel the need and growth for a strong medical community. First, the U.S. Census population projections indicate that the bubble of baby-boomers will continue to grow in Bay Area Houston, especially as retirees from the East and West Coast of the United States begin to see the value of their retirement dollars going much further here. More info: <http://www.bayareahouston.com/Home/TargetIndustries/HealthCare2/>

Did you know Bayshore Medical Center in **Pasadena** was cited by HealthGrades, an independent healthcare ratings organization, as a Distinguished Hospital for Clinical Excellence? Only 269 of the nation's 4,971 nonfederal hospitals received the rating!

Two Harbour Square Professional Plaza, 26,850 SF, has completed construction on Marina Bay and Enterprise Drive in **League City**. Tenants include an emergency room and those in the chiropractic and plastic surgery fields.

To encourage business expansion, the City of **La Porte** awarded its first incentive grant to WesMor Cryogenic Manufacturing Company. The grant is based on the company's ability to add 35 new jobs plus hit a sales tax benchmark, all in a three-year period. The tank and vessel manufacturer had considered moving to another city and taking 30+ jobs out of the area.

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

New office space coming up!

- A Houston-based development company is looking to build River Bend on Clear Creek, two multi-story office towers in **League City** at Interstate 45 and Wesley Drive. Office space would total 300,000 SF.

- Green Groundbreaking! A **Friendswood** resident and builder plans to construct that city's first green office building at 2000 West Parkwood Avenue. Operating costs could be reduced by 50% as the water catchment system will use rainwater to irrigate the yard, water the grass roof and flush toilets. Jacob White Construction will build and relocate their headquarters to the new building. They will occupy 5,000 SF and have 5,000 SF available for lease. Twelve jobs are expected to be relocated to this \$2 million facility.
- Office suites available for ownership -- Solana Professional Suites will be built on Space Center Blvd. at Clear Point Crossing (**Houston**). Planned are two 10,000 SF buildings with tile roofs, stucco/stone, classic Tuscan architecture, a workout room for owners and wireless access throughout. Expect groundbreaking between the 1<sup>st</sup> and 2<sup>nd</sup> quarter of this year. Sizes range from 1,500 to 3,500+ SF.

On the northwest corner of Walker and **League City** Parkway, a 6+ acre tract was purchased to build an office/warehouse facility on part of that property.

FairPort, a new \$130+ million industrial development, will be built in the Bayport Industrial District on Fairmont Parkway at Underwood Road in **La Porte**. Build-out is expected to be 2.9 million SF. First phase will break ground at year's end for 400,000 to 500,000 SF in two tilt-wall buildings.

More office and flex --- Corporate Centre/Beltway/225 will be built on the southwest corner of SH 225 at Beltway 8 in **Pasadena**. Plans for this 22-acre site call for 130,000 SF in mid-rise office space plus 200,000 SF in flex space; they will accommodate 5,000+ SF users. The developer will also build-to-suit; the site plan is in progress.

Sealed bids are being taken on two land tracts that run from SH 225 to the Houston Ship Channel – near Beltway 8. The 186.7-acre tract has deep water access and the adjoining tract, 99.7 acres, fronts SH 225 and has rail.

Seven more docks will be built at the **Bayport** Container terminal on a new 1,330-foot wharf. Construction could begin this summer. Additionally, 385 acres of container storage will be developed behind the docks. More than 65,000 20-foot-equivalent units (TEUs) moved through Bayport within its first five months of operation. When completed, the terminal will have the capacity to handle 2.3 million TEUs.

*Leasing activity ...*

*50,146 SF leased to Insultherm at 1500 W. G Street in **La Porte**.*

*25,000 SF leased to CheckFree Health & Fitness at 16969 No. Texas Ave. in **Webster**. They provide services and software for the operations and management needs of the health and fitness industries.*

*10,000 SF leased to Texas Citizens Bank at 4949 Fairmont Parkway in **Pasadena**.*

*8,800 SF leased to Texas Children's Pediatric Associates at 4949 Fairmont Parkway in **Pasadena**.*

*5,280 SF leased to Therapy Support at 814 W. Main in **League City**.*

*4,531 SF leased to Total Med on Gemini in **Houston**.*

**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, visit [www.spacetechnologies.com](http://www.spacetechnologies.com).

HydroGreen Energy, LLC in Houston is a SATOP success story. The company is creating a new wave in renewable energy technology. By placing hydro-turbines in the flow of tidal currents, the company can produce energy at a higher capacity than with traditional methods. To validate the energy output and to determine the best model of hydro-turbine, CEO Wayne Krouse contacted SATOP for expertise and advice. They had created several prototypes of a hydro-turbine that

would effectively produce electric power from water currents but a costly analysis would be necessary to prove which design would be the most effective. Krouse was partnered with Dr. Alain Kassab and Dr. Eduardo Divo from the University of Central Florida in Orlando, an Alliance Partner. They completed a study for HydroGreen at a computational fluid dynamics laboratory; the results were presented for evaluation. Based on the findings, HydroGreen was then able to determine which hydro-turbine would be ultimately manufactured.

***What's new?***

**Seabrook** – Moody National Bank on NASA Pkwy.

**Webster** – Frost Bank at 234 W. NASA Pkwy; Pulse Imaging at 202 N. Texas Ave.

## Retail / Hospitality Development

Home Depot will build a new store at the northeast corner of El Dorado and I-45 (**Houston**). This will be a new prototype for the chain, approximately 150,000 SF. They are currently operating in **Webster**.

Candlewood Suites and Hampton Inn plan to build on 36 acres, north of Victory Lakes Drive, east side of I-45 in **League City**. Each hotel will have 83 rooms.

There are plans for a five-acre tract at the NE corner of Red Bluff Road and SH 146 in **Seabrook**. An 87-room Comfort Suites will be built along with an 11,000 SF retail center and 7,800 SF fast food / convenience center. Ground breaking will occur by late March.

Chart House restaurant is now open at the **Kemah** Boardwalk. This is the second location in Texas for this restaurant chain – they locate primarily along the East and West Coasts.

Clear Lake Crossing, Hwy. 3 at John Audubon Parkway, has a new 18,150 SF building in progress. Tenants are Texas Citizens Bank (3,500 SF) and, possibly, an insurance company. (**Houston**)

**Pasadena** leases:

- Sports Authority leased 42,093 SF at Fairway Centre III (Beltway 8 / Fairmont Pkwy). Developer is adding 8,000 SF of spec space next to that store.
- Steve & Barry's leased 37,390 SF on Southmore and Pasadena Blvd.
- Magnolia Café & Bakery has leased 2,380 SF, next to Regency Beauty Institute, at 5900 block of Fairmont Parkway.

Cullen's restaurant will be opening late February at Clearpoint Crossing – it's said to be the largest restaurant site in **Houston** at 38,000 SF! Restaurant will seat 250 and there are 8 private meeting rooms that seat up to 200.

Breaking ground this month at Clearpoint Crossing are a new orthodontics office and Kallisto Tropical Day Spa. The 275-unit apartment project is in final negotiations with their developer and will start construction early summer on the garden-style complex.

Word is that the Room Store at the Clear Lake Center in **Webster**, NASA Parkway / I-45, is No. 1 in the chain!

***Coming Soon!***

**Baybrook Mall** - Rooms To Go, the 40,000 SF building along the Gulf Freeway, will open in March or April

**League City** - Logan's Roadhouse at League City Towne Center; Champion Acura on I-45/Butler Rd.

**La Porte** - Bayou City Wings Neighborhood Bar & Grill

**Webster** - McAlister's Deli at Webster Town Center

**Now open!**

**Webster**- My Closet Your Closet & Scrapbook Junkie at the Clear Lake Center

**League City**- The Jazz House Restaurant at 601 E. Main

**Friendswood**- Hickory & Oak Smoked Barbecue; Mustang Grill

**Baybrook Mall**- Sephora (fragrance, cosmetics and skin-care products)

**Pasadena** - Napoli restaurant on Beltway 8 near Crenshaw.

## Residential Development

### League City

- Beacon Island – Opportunities are now available on this 35-acre League City island for mid and high rise development. Mid-rise tracts are priced at \$1,950,000 to \$3,350,000 for ~ 28 to 48 units. High rise tracts are \$6,950,000 to \$8,950,000 for ~126 to 183 unit projects (some have additional townhouse lots). The 12 single family lots have been sold – home price points will range \$1,750,000 - \$4,000,000. The island has over 4,600 feet of bulkheaded frontage on Clear Lake.
- A developer plans to build 341 apartments on 15 acres at River Bend, Wesley Drive and the Gulf Freeway (I-45).
- Bay View – 375 homes on 100 acres have begun construction. NW of FM 646 and Brookport Dr.
- Cypress Bay – 99 homes are proposed for the NW corner of Marina Bay Dr. and Seminole Dr.
- Sedona – 221 homes are proposed for 78 acres at SW corner of Turner and Butler Roads.
- Township – Construction has begun for 77 homes on 21 acres, SW corner of 7<sup>th</sup> and Kansas Ave.

### Dickinson

- Berryfield has started construction on 82 lots on Nichols Avenue. \$110's up.
- Bentwood at Bay Colony is underway on FM 517 at Bentwood. Section 2 has 48 lots and section 3 has 83. \$125's up.

### Seabrook

- Seabrook Town Homes – 7 are planned for the NE corner of Lakeside Dr. and NASA Parkway.
- Shores at Pelican Point has started construction on the SW corner of Second St. and Staples Avenue. 6 lots, \$500's up.
- Sunset has started construction on 26 lots – Hammer St. near Todville Road.

### Friendswood

- The Trails at Friendswood is proposed for FM 528 at Sun Meadow Blvd. 650 lots and townhomes on 275 acres.

### Pasadena

- Deerwood Glen is planned near SH 225 at Beltway Green. 392 homes.
- Enchanted Oaks is planned for the west side of Louisiana St. between San Augustine and Pasadena Blvd. 28 homes.
- Farnham Park Patio Homes are planned on the east side of Salvador between Vista and Fairmont Parkway. 34 homes.
- Torreno Vista Townhomes are planned for Vista Rd. and Maple. 74 homes.

## Infrastructure News

Are you interested in business opportunities with local school districts, colleges and governments that service over 100,000 students? Then, you're invited to the Public School Vendor Breakfast on February 28<sup>th</sup> from 7:30 a.m. to 9:30 a.m. at the NASA Gilruth Center on Space Center Blvd. This is a great opportunity to meet one-on-one with buyers from five school districts (**Clear Creek, Dickinson, Friendswood, La Porte and Pasadena**). For more information call our office: 281.486.5535.

*Did you know **Texas A&M University at Galveston** houses the **Texas Maritime Academy**, which is one of six maritime academies in the U.S. and the only one located on the Gulf of Mexico? They provide opportunities for students who want to learn how to operate and maintain an ocean-going vessel. The university offers Graduate studies in Marine Biology and a Master of Marine Resources Management degree, among many other programs. The maritime industry is one of the hottest job markets around!*

**College of the Mainland–North** in League City is set to launch a new program to train medical assistants for the rapidly growing medical community in Bay Area Houston. The 12-month long credit program will prepare students for the Certified Medical Assistant exam as well as working in ambulatory healthcare environments such as physician offices, clinics and outpatient facilities. There is not another college-based program like this within **Galveston County**.

Financial impact! The **University of Texas Medical Branch at Galveston** generated more than \$350,448,000 toward the **Galveston County** economy in 2006. Additionally, they contributed more than \$567 million in Houston and the surrounding counties. *(from a new report by Dr. Robert Hodgins, director of the Center for Economic Education at the University of Houston – Clear Lake)*

**Pasadena I.S.D.** will rebuild and relocate Kruse Elementary to the four-block area of Eagle, Park, Randall and Main streets. Plans are underway.

**San Jacinto College** and Etech, a business processing outsource service, received a \$144,000 grant from The Texas Workforce Commission to train people to work as bilingual customer service specialists. Etech recently located in Pasadena and will hire more than 150 employees.

A \$295 million bond referendum for **San Jacinto College** will be voted on in May. This will allow the College to update and construct facilities to educate students and train workers in the critically needed areas of science, technology, math and allied health professions. Being one of the major growth areas in the U.S. and given that this region requires workers with strong analytical skills and scientific thinking, it's necessary to upgrade the aging facilities and properly train students who will transfer to 4-year universities or enter the workforce. For more details, see [www.sanjac.edu/bond](http://www.sanjac.edu/bond).

*Did you know a total of 11 schools in the **Clear Creek I.S.D.** have been named among the best public schools in Texas by *Texas Monthly* magazine?*

*The list of 859 schools includes Clear Lake High and Space Center and Seabrook Intermediate Schools. Friendswood I.S.D. had four campuses listed - Friendwood High, Friendswood Jr. High and 2 elementary schools.*

A 33-acre park is planned for **La Porte** on Canada Road just north of Fairmont Parkway. It will be used by those who want to enjoy the park's natural beauty, 6-acre lake, mature pecan trees, amphitheater, bike and pedestrian trails and mini-pavilion – it's not for organized recreational activities. To encourage residents to fish, the lake will be stocked with bass. This will be the second largest of the City's 18 parks; Little Feeder Bayou is the largest.

**Webster** Space Walk is a new venue planned for Bay Area Boulevard between Gatebrook and Live Oak streets. The visitor destination will feature eleven bronze sculptures that represent America's human space exploration.

**Galveston** is working on plans for a world-class 686-acre ecotourism park. The area is near East Beach. Also, the City plans to reopen their municipal golf course showing off a new clubhouse and \$14 million in improvements.

*Did you know **Clear Lake Shores** is home to the Watergate Marina, the largest privately owned marina in the country with 1,300 slips?*

**Road News .....**

**---Galveston County**

- The 2.3-mile Galveston causeway project is slated for completion by late 2008, weather permitting.
- SH 146 / Dickinson Bayou project will encompass a companion bridge to the existing two lanes spanning the bayou. The 1.7-mile project is currently scheduled for completion by June, 2009 but is ahead of schedule.
- Highway 3 is being widened on a 4.9-mile stretch between FM 1764 and Hughes Road. Completion expected first quarter, 2009.

**---Seabrook**

- A project to extend and widen Repsdorph Road from NASA Parkway to Red Bluff Road is in review. El Lago is working with Seabrook and Harris County on this project.

**---League City**

- The SH 96 at Interstate 45 project has begun. The project includes building a new road that will connect Brittany Bay Blvd.(aka League City Parkway) to SH 96.
- The FM 518 widening project – between FM 2094 and FM 1266, could be finished this spring.

**---Webster**

- Widening and improvements south from Medical Center Blvd. are expected to be completed by early 2010. When the project is completed, I-45 will be widened from three lanes to five lanes in each direction and will go over NASA Parkway.

**---Big Stuff**

- The NASA bypass is 80% complete and is on schedule to open by the end of this year. The 3.4-mile bypass will be a four-lane divided highway running from I-45 toward SH 3 and curve northward to merge with NASA Parkway at Egret Bay Boulevard. The bypass is expected to increase the daily traffic count on NASA Parkway from 20,000 to 30,000 vehicles. The connector ramps from I-45 to the Bypass will not be open to motorists until 2009.
- Lots of opportunities! TxDOT plans to release a \$102 million solicitation in July for a contractor to widen a portion of I-45 south between Nyack Drive and Medical Center Blvd. The contract will also call for construction of two 3-lane frontage roads and two high-occupancy vehicle lanes.

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).

Participating Cities:

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[League City](#) • [Nassau Bay](#) • [Pasadena](#) • [Seabrook](#) • [Taylor Lake Village](#) • [Webster](#)

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