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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

Galveston's University of Texas Medical Branch is going full steam ahead with their **League City** Specialty Care Center. Construction will begin in August on the \$61 million facility which will encompass 110,000 SF. Estimated clinical staffing is between 50 and 100 practitioners. The campus will offer advanced imaging services, pediatric and adult clinics, outpatient surgery and pediatric urgent care. Location is along I-45 just north of FM 646 on a 35-acre site. It's expected that the Center will open to the public in February 2010.

It's a whopper! Houston-based Palmer Logistics has leased 468,000 SF at Interport Distribution Center in **La Porte**. It's believed that this is the largest industrial lease done in a spec building in the Houston area. Available in this first phase was 598,000 SF; remaining is 130,000 SF for another tenant.

Clear Lake Shores is looking to purchase additional commercial property along FM 2094 for a proposed town center project. The city would like to take the area around the community's entrance on FM 2094 and redevelop it into something that adds value and serves the needs of its island residents. It's not known whether the city will sell the acquired property after rezoning it or lease it long-term to a developer.

At FM 518 and Anders Lane, a local developer has under construction the **Kemah** Business Park, a 60,000 SF development on four-plus acres. One building is 7,500 SF and has been pre-leased to a national franchise tenant. The other building is 5,000 SF; of that, a local fabrication company has leased 2,500 SF. The developer is in negotiations with a petroleum services company and two other companies for the additional 47,000 SF that will be available. The finished project will include block veneers, decorative canopies and storefront entries.

NASA continues to award new contracts related to the Constellation Program including one awarded this week to **Bay Area Houston's** Oceaneering Space Systems for design, development

and production of the next generation space suit. This award will bring new jobs to the area at Oceaneering and their local subcontractors, Cimarron, Honeywell and United Space Alliance.

FYI -- The Big League Dreams Sports Park exceeded original 2007 projections by almost 15%. Projected was an overall economic impact of more than \$37 million; actual figures brought the total to almost \$42.3 million. Location of the park is on the west side of I-45, just south of FM 518 in **League City**.

Magnolia Creek Golf Links in **League City** is going private. The 27-hole course will now be known as Canongate at Magnolia Creek.

Moody Gardens Golf Course is back in full swing! The course got a \$14 million renovation that includes 500 palm trees and beautiful landscaping on the par 72 links-style course. There's also a new fleet of golf carts, a remodeled clubhouse and grill. Formerly, it was the **Galveston** Municipal golf course.

Have you ever wondered how space exploration impacts your daily life at home and all around you? Check this out - then you'll know! <http://www.nasa.gov/externalflash/nasacity/index.htm>

Near the intersection of Red Bluff Road and Genoa-Red Bluff in **Pasadena**....

- A & K Industrial bought 33 acres on Red Bluff where it will build a 40,000 SF, crane-served facility for its business. There will be approximately 15 acres left to sell.
- Seventy-two acres on Genoa-Red Bluff next to the former ExxonMobil plant have been sold. The new owner would like to lease the property.
- Seventy acres on Red Bluff is closing soon. New owner would like to keep 40 acres and sell 30 in two to five-acre increments.

Turner Industries Group has added a 65,000 SF pipe fabrication facility at its **Pasadena** location. The company is one of the major fabricators in the U.S. providing specialized services to petrochemical, chemical, refining, energy, power generation, pulp and paper and other related industries.

Bay Area Business Park, underway on Bay Area Boulevard / Red Bluff Road in **Pasadena**, is going green. This will be Houston's only LEED-Guided industrial development. Leasing opportunities start at 20,000 SF at the 140-acre development. Delivery is expected October 2008.

Currently in design phase, an additional 450,000 to 600,000 SF will be built at Republic Distribution Center on Red Bluff Road in **Pasadena**. Bayport Global Logistics recently signed a seven-year lease taking 145,810 SF of the 312,522 SF in the park's first phase.

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.

Updates on

- **Bayport** Cruise Terminal? It will be fully operational this fall. A few construction details remain to be finished; the wharf and parking lot are complete. Up to 56 cruises could sail from Bayport every year when the 96,000 SF terminal begins operations.
- Grand Bay at **Kemah**? The current developer/owner of the property would like the city to create a Public Improvement District (PUD) that would reimburse the developer for the costs of the utility improvements. It's possible that this tract could be sold to yet another developer. Word is that there may be an upscale hotel or condominiums being considered.

- **Taylor Lake Village's** proposed mixed-use high-rise development? Plans were unveiled last year for twin 19-story condominiums, a 41,000 SF grocery store, plus restaurants and a retail center. It's reported that the owner will be presenting plans to the city's planning and zoning soon. The site is east of the corner of NASA Parkway and Kirby Road.
- River Bend on Clear Creek? A Houston developer is close to securing a hospital for the site. The multi-family development is moving forward with a product that might include up to 700 units, although only 350 are currently planned. A marina has been approved for the **League City** project.

What's new? Now available on the BAHEP web site is a new Real Estate page. Helpful tools are being added every week; so, check often! <http://www.bayareahouston.com/Home/RealEstate3/>

BAY AREA HOUSTON OFFICE SPACE AVAILABLE			
5,000+SF CONTIGUOUS			
<i>Address</i>	<i>City</i>	<i>Building Size (SF)</i>	<i>Contiguous SF Available</i>
2100 Space Park Dr.	Nassau Bay	115,878	93,630
1300 Bay Area Blvd.	Houston	35,690	35,690
16969 Texas Ave.	Webster	50,100	25,100
555 Forge River Rd.	Webster	108,578	23,214
1275 Space Park Dr.	Nassau Bay	43,222	21,611
2525 South Shore Blvd.	League City	119,249	20,767
201 Flint Ridge Rd.	Webster	45,000	19,000
4949 Fairmont Pkwy.	Pasadena	52,362	17,675
16055 Space Center Blvd.	Houston	147,000	16,178
12301 Kurland Dr.	Houston	222,400	16,000
500 N. Kobayashi	Webster	15,545	15,545
4949 Fairmont Pkwy.	Pasadena	52,362	15,180
213 W. Southmore	Pasadena	54,611	13,652
17250 El Camino Real	Houston	12,547	12,547
16511 Space Center Blvd.	Houston	144,346	11,440
817 E. Southmore Ave.	Pasadena	40,000	11,340
13920 Galveston Rd.	Houston	14,615	10,000
1100 NASA Parkway	Nassau Bay	54,475	9,827
12000 Aerospace Blvd.	Houston	79,615	9,636
2525 South Shore Blvd.	League City	119,249	9,135
201 Flint Ridge Rd.	Webster	45,000	9,100
16441 Space Center Blvd.	Houston	64,000	8,685
711 W. Bay Area Blvd.	Webster	103,847	8,424
4949 Fairmont Pkwy.	Pasadena	52,362	8,092
1550-1560 W. Bay Area Blvd.	Friendswood	75,133	7,471
12000 Aerospace Blvd.	Houston	79,615	7,437
18333 Egret Bay Blvd.	Webster	106,320	7,325
17629 El Camino Real	Houston	78,181	6,624
1110 NASA Parkway	Nassau Bay	60,142	6,499
2525 South Shore Blvd.	League City	119,249	6,411

2600 South Shore Blvd.	League City	120,000	6,304
711 W. Bay Area Blvd.	Webster	103,847	6,246
16055 Space Center Blvd.	Houston	147,000	6,214
1100 NASA Parkway	Nassau Bay	54,475	5,688
2600 South Shore Blvd.	League City	120,000	5,078

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Transactions

- 247,240 SF – Frontier Logistics leased additional space at Port Crossing, 1842 S. 16th St. in **La Porte**. Billy Gold / CBRE represented the building owner.
- 137,000 SF – Dixie Box Company leased space at Port 225 East in **Pasadena**. Darryl Noon / Transwestern represented the owner.
- 48,000 SF – BTW Environmental leased space at Port 225 East in Pasadena. Jude Filippone / Transwestern represented the owner.
- 42,000 SF – Bigler Company leased space at Port 225 East in Pasadena. Jim Glanville / Colliers represented the tenant and Brian Gammill / Transwestern represented the owner.
- 22,549 SF – An undisclosed company leased at 2100 Space Park in **Nassau Bay**. Doug Little, Erik Haugen & Wade Bowlin / PM Realty Group represented the building owner.
- 16,240 SF – SPACEHAB, Inc., leased space at 907 and 909 Gemini in **Webster**. The company consolidated its office requirement making its building at 12130 Highway 3 (**Houston**) available for lease; size is 90,897 SF. Adjacent to the building is 2.9 acres -- for sale.
- 6,300 SF – General Electric leased space at Marina View in **League City**. Dena Wren / CBRE represented the building owner.
- 5,000 SF – InterMed Management leased space at Center Square, 589 FM 517 in **Dickinson**.
- 4,000 SF - BIC Alliance leased space at 381 Columbia Memorial Parkway (FM 1266). It publishes magazines (Business & Industry Connection) for industries such as oil and gas, chemical, pump and power. The company moved to **League City** from **Houston**.
- 2,900 SF – One Source Industrial leased space at 16055 Space Center Blvd. (**Houston**) for its corporate offices. Dena Wren / CBRE represented the building owner.
- 3.5 acres – 1206 FM 2094 in **Clear Lake Shores** sold. Scott Davis, Larry McWherter, Donna Kolius and Laura Smith / CBRE represented the seller.

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.

As an example Mark Bent, a former Marine, diplomat and oil executive, spent over 20 years in Africa and developing countries of the world. When that part of his career came to a close, he decided to help those who had made a difference in his life. Safe, affordable light sources are not readily available in poorer regions of the world. He developed a solar-powered flashlight but it was not water and shock resistant. He contact SATOP and was partnered with Fernando Amaton, an electrical lead project engineer with Houston-based MEI Technologies, Inc., a SATOP Alliance Partner. Amaton made modifications to the design using industrial strength plastic housing to solve the durability and water resistance problems. A second request to SATOP was later made as the flashlight's light emitting diodes were breaking. The engineer found that the supplier wasn't using the proper amount of metal in the LEDs; so, a change of suppliers solved that problem. Since then, Bent's BoGo flashlights have found a place in African homes and thousands more have been shipped to disaster areas like Myanmar and China. BoGo stands for 'buy one, give one'. For each flashlight sold, Bent donates a second light to a non-profit international assistance organization, and they're distributed to people in developing countries. Mark Bent is founder and CEO of SunNight Solar.

Retail / Hospitality Development

Kids of all ages – this is for you! **Baybrook Mall** has attracted two retailers making their first entry into the Texas market. The LEGO store opens June 20th and the RIDEMAKERZ opens June 28th. LEGO will offer wall-to-wall products plus an interactive area for a hand-on experience. RIDEMAKERZ is a retailing phenomenon where you can build a fully-customized, free-wheel or radio remote-controlled model car, completely assembled, in less than 10 minutes. You can choose from all kinds of popular cars – muscle, exotic, hot rods, pick-up trucks, dumps trucks and fire engines to name a few. You add the lights, sounds, tires, wheel and accessories. This store was named one of 2008's hottest new interactive retailers.

Retail tidbits

- Sleep Inn & Suites has proposed a hotel at 1332 South 8th Street in **La Porte**.
- In **Pasadena**, a hotel is under contract on land behind the Hooters and San Jacinto Harley Davidson on Beltway 8 near Fairmont Parkway.
- Luby's is building a new cafeteria on an 11,000 SF pad site at Center at Baybrook. This **Webster** shopping center is home to such retailers as Bed, Bath & Beyond, Sports Authority, Stein Mart and Hobby Lobby.
- In **Kemah**, a five-story, full service Holiday Inn will be built on 8th and Harris streets.

Construction will begin this fall on a 78,000 SF development on Landing Boulevard and FM 518 in **League City**. The 10+ acre site will be available for retail, office, restaurants, banks or medical facilities.

Updates on

- **Baybrook Commons** – a hotel is under contact; several retailers are in due diligence. This is the 20-acre development in **Webster** on the west side of I-45, south of Bay Area Blvd.
- **Nassau Bay Town Square** – Brokers report they have strong interest from 12 restaurants for this location. They're mostly national; some regional and all kinds of concepts. Bon appétit!
- Home Depot on the northeast corner of I-45 and El Dorado (**Houston**) is underway. No details on what will happen with the existing store on I-45 in **Webster**.
- The developer for the Magnolia Creek Shopping Village says he's putting the finishing touches on the design and already have interest for leasing at the center and pad sites. The 13-acre site is on FM 518 and **League City Parkway**.

Groundbreaking

Webster - Springhill Suites On Magnolia Avenue

Coming Soon

Baybrook Mall - Olive Garden - corner of Bay Area & I-45 (next to Ethan Allen)

Baybrook Passage - Staples leased 20,388 SF

Baybrook Village - JoAnn's (fabric and craft supplies)

League City - Sear's Appliance at Bay Colony. Dollar Tree at Victory Lakes Town Center. Ross Dress for Less, New York Pizzeria and Famous Footwear at League City Towne Center.

Dickinson - Roma's Pizza & Pasta at 5202 FM 517 East

Seabrook - Don Julio's, Hot to Tot (children's store) and Discover North (outdoors equipment) at Seabrook Shopping Center on NASA Parkway.

Now open

Webster - Chipotle Mexican Grill at 304 W. Bay Area Blvd.; King Wong Japanese & Chinese Restaurant at Point NASA; Dimassi's Mediterranean Buffet at 1039 W. Bay Area Blvd.; Jake's Pizza & Subs at 17926 Hwy. 3; High End Flooring at 20801 Gulf Fwy.

Baybrook Passage - Potbelly Sandwich Works

Houston - Classic Café Bar & Grill; I-45 at Dixie Farm Rd. (FM 1959)

Seabrook - Club Classic at 2513 NASA Parkway; Mely's (Mexican food) at 3659 NASA Parkway; Aurora Grill at 1301 4th St.

Residential Development

Amalfi at Tuscan Lakes, a new 318-unit multi-family project, is out of the ground on the **League City Parkway**. This is the third Martin Fein development at Tuscan Lakes. This one features a big resort pool, a large reflection pond, and Wi-Fi in the public areas. The apartments will have tile floors and granite countertops. The clubhouse will open in August, the first units will deliver in September and completion is expected end-of-year.

Cypress Bay is a new residential community on FM 2094 and Seminole Drive in **League City**. Approximately 100 new homes will be built, over 75 on canal lots -- dredging is now underway. Six acres will be available for commercial development.

Infrastructure News

Seabrook has engaged a consultant to study the feasibility of using water taxis to move people around the city's bay front. Not only could it be environmentally friendly (and cheaper than gas!) but entertaining, too. The consultant will provide an analysis of ridership potential, cost, maintenance and integration with other transportation modes.

It's all about teamwork --- Congratulations to the **League City Economic Development Corporation!** It won the Texas Economic Development Council's 2007 Economic Excellence Award recognizing performance and professionalism. Only 22 cities in Texas were selected, and League City was the only city in the Houston metro area to receive the award.

A tail-waggin' good time! A 10-acre dog park could be open by the summer of 2009 in Bay Area Houston. Location is 10700 Red Bluff Road in **Pasadena** at Kipper Mease Park. The park totals about 150 acres with 80 acres being used for athletic fields.

The first phase of **League City's** new nature park has opened. Located on the south shore of Clear Creek just off Hwy. 270, the 148-acre Clear Creek Nature Park is a habitat for migratory birds, and the wetlands will serve as a breeding ground for many species of fish. Phase one has a birding trail, picnic tables, barbecue grills and a pavilion. Phase two will include a nature center, more trails and a bird rehab center.

City of **Dickinson** will be featured as a 'hidden gem' on The Economic Report hosted by Greg

Gumbel. The five-minute segment will be related to building a better business environment. It will be aired once nationally on Fox Business Network and will be shown in 19 different regions on CNN Headline News. Also, it will be run on You Tube for a year and be provided to Pathfire Digital Media enabling 700 newsrooms and 1,300 broadcast facilities to use the segment as a video news release.

Academic news

Cool classes at **Clear Creek I.S.D.** – New to the district is the Culinary Arts Program taught at Clear Springs High School. Students who graduate from the three-year program have an opportunity to earn certifications that will qualify them for work as a prep chef or be accepted in a college-level culinary course.

Texas A & M University-Galveston broke ground on a \$50 million Science Complex. This facility will provide more than 100,000 SF of research and teaching space related to marine biology, ecology, comparative physiology, marine sciences and advancement of environmental theory and policy.

Students in the Physical Therapist Assistant Program at **San Jacinto College** recently attained a 100% first-time pass rate on the national board exams. The college reports that approximately 90% of its students in this program find a job before they graduate.

Did you know that **University of Houston-Clear Lake** is an upper-level university, with more than 7,500 students? Approximately 46,000 degrees have been conferred at the university since it opened in 1974. It offers more than 30 undergraduate and over 40 graduate degree programs, as well as a doctoral program, from its four schools, which include the School of Business, School of Education, School of Human Sciences and Humanities, and School of Science and Computer Engineering.

University of Texas Medical Branch announced the graduation of 293 nurses in April, including 55 who earned their master's degrees. The school also awarded medical degrees to 187 new physicians in May. Its Graduate School of Biomedical Sciences had 62 graduates; 39 were awarded doctoral degrees, master's degrees to 20 and M.D./Ph.D.s to three.

Groundbreaking is a done deal for **Clear Creek I.S.D.'s** Education Village on the **League City** Parkway near SH 146. Three schools will be built on 135 acres at a cost of \$132.5 million. The 105,000 SF elementary will open first – fall 2009 – then the 176,550 SF intermediate and 460,000 SF high school in 2010.

Did you know that **San Jacinto College** offers articulation agreements with Texas A & M, Texas A & M-Galveston, Sam Houston State University, University of Houston-College of Technology, Texas Woman's University, University of Texas Health Science Center, University of Texas Medical Branch, University of Texas-Dallas and the online universities Capella and Ashford? Students who are interested in furthering their education at one of these four-year colleges should state up front their intentions to transfer so an appropriate course schedule can be devised.

The **Pasadena I.S.D.** has been named the National Model School District for 2008 by the International Center for Leadership in Education. Cited as achievements were significant improvement on TAKS tests over the past four years, a decrease in high school failure and drop out rates and an increase in student attendance ... all after only one year of implementation. Congratulations!

Road News

---Galveston County

- There is a proposed project to extend Hanson Road from FM 2094 to **Kemah** at the Kemah Oaks subdivision.
- Galveston County Management District #1 has received preliminary approval from TxDOT to relocate the southbound exit/entry ramps on I-45 between Calder Road/Highway 96 and FM 646 at Bay Colony in **League City**. The new exit ramp will be located approximately 1/2 mile south of the new Highway 96 overpass. The new entry ramp will be located in approximately same area of the existing exit ramp in front of Bay Colony/HEB Town Center.
The relocation of the ramps will provide greater access to the commercial frontage along the I-45 southbound feeder. Final TxDOT approval expected 4th quarter '08 with construction complete 2nd quarter '09.
- TxDOT plans to widen FM 646 from a two-lane undivided highway to a four-lane divided highway from I-45 to SH 146. This project is still in the environmental stage. After all approvals, the right-of-way mapping and acquisition will follow. Upon completion of the acquisitions, construction will begin. A list of the planned transportation projects in Galveston county may be downloaded from the Houston-Galveston Area Council: <http://2035plan.org/docs/final/GalvestoncountyTIP.pdf>

---Harris County

- El Camino Real, from NASA Parkway to Bay Area Boulevard, will be upgraded soon. Bids go out this fall on the \$2.6 million project.

---Pasadena

- An inside lane will be added to both the eastbound and westbound portions of Fairmont Parkway between Beltway 8 to Preston. Drivers will then be able to make U-turns without waiting at stop lights. An engineering service is currently preparing construction schematics and data necessary for permitting and bid documents. This is an \$8 million project. We'll keep you posted on the construction schedule when it's available.

---Big Stuff

- Interstate 45 from Medical Center Blvd. to the NASA Bypass will be under construction for another two years. They're rebuilding and expanding the freeway.

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.

Participating Cities:

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



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