

La Porte Economic Development Update

1 February 2015

Confirmed Industrial Expansions in the City of La Porte and La Porte ISD

Air Liquide	Air Products	Arkema
Celanese	First Choice ER	InterGulf's Headquarters
Kuraray America, LLC	Linde Gas North America, LLC	Lube Line
LyondellBasell /Equistar	NOLTEX	Oxiteno
Richard Industrial Group	Siluria Technologies	Sprint Safety
Wolseley Industrial	Foster Wheeler	Braskem
Enterprise Products	INEOS USA, LLC	Audubon Engineering Solutions

TOTAL New Investment: **\$ 4.3 billion**

TOTAL New Employment: **550**

Prospective Industrial Expansions in the City of La Porte and La Porte ISD

Project EDG

TOTAL Prospective New Investment: **\$300 million**

TOTAL New Employment: **30**

Note: During a presentation by HIS (consulting firm) at a regional meeting of industries in August, they anticipate that similar industrial expansions will continue through **2017**.

Many of the industries in La Porte are taking advantage of the growth in the amount of oil and gas that is being extracted from shale deposits in the Eagle Ford, Barnett, Permian, and other basins in the lower 48 states. Both domestic and international companies recognize that the increased supply of oil and gas decreases the price of oil and gas and makes it cost effective to build and/or expand petrochemical plants and refineries in Texas as opposed to overseas. Companies which refine petroleum, manufacture petroleum-based products, manufacture specialty chemicals from petroleum and natural gas, and export natural gas are all in a position to capitalize on the increasing supply of domestic oil and gas which is being extracted from the shale deposits through a new technology called "fracking". It is estimated that only 8% of the available oil and gas is being extracted from the shale deposits. With additional improvements in technology, experts anticipate that we will be able to extract increasing amounts of the oil and gas from the existing shale deposits. Both domestic and international companies are investing hundreds of millions of dollars in new business equipment and projects to capitalize on this new opportunity. In Texas alone approximately \$32-40 billion worth of new projects directly tied to the increases in the supply of oil and gas. Many of these expansions are anticipated to be announced and constructed through 2017. In La Porte alone, over **\$4 billion** worth of projects have already been announced and/or broken ground, while another **\$300 million** are anticipated to be announced in 2015.

Other Major Projects

- **The Port Crossing** -- Hundreds of millions of dollars
- **Expansion of the Barbours Cut Terminal** -- deepening and widening the port to receive super-panamax (largest in the world) container ships after the expanded Panama Canal opens in 2016.
- **Expansion of the Bayport Terminal** -- deepening and widening the port to receive super-panamax (largest in the world) container ships after the expanded Panama Canal opens in 2016.
- **Opening of the Bayport Cruise Terminal** -- Both **Princess** and **Norwegian Cruise Lines** offer cruises from the Houston Bayport Cruise Terminal.

Residential Development

With the growth and expansion of our industries, the residential demand outstrips the supply. We need more apartments and single family homes.

- **DR Horton Homes** -- 92 homes
- **Beazer Homes** -- 73 homes
- **Retreat at Bay Forest** -- 16 homes
- **Mariposa Senior Housing Project** -- 180 units (est. \$20 million commercial project)
- We have had approximately 5 phone calls lately from multi-family developers that are looking for opportunities to develop new, luxury products in La Porte.

New Restaurants

New restaurants in the past 18 months are:

- **Pipeline Grill** (pending)
- **Lafitte Cajun Station** (under construction)
- **El Toro** (pending)
- **D n D's Backyard** (under construction)
- **Carl's Junior**
- **Broadway Café** (new chef with 20 years of experience from Manhattan)

New Hotel Development

- **Hampton Inn & Suites** with four (4) floors and 87 rooms (under construction)
- **Home2Suites** (pending)
- **Fairfield Inn & Suites** (pending)

Retail/Commercial Re-Development

- **153 S. Broadway** (new home to Eagle Energy Resources, LLC)
- **115 W. Main Street** (new home to the Lafitte Cajun Station)
- **Fischer's Do It Best Hardware** (pending)
- **Former Kroger building** (new, 20,000 sf retail tenant; pending)
- **Former Crazy Cajun Restaurant** (new home to D n D's Backyard)
- **211 S. 1st Street** (new home to And Sew it Began B&B)
- **215 S. Broadway** (new home to the Stepping Stone Funeral Home)

New Retail Development

- **La Porte Town Center** is a proposed, 95 acre mixed-use development for retail, restaurant, and entertainment uses along the northeast corner of SH 146 (future Grand Parkway) and Wharton Weems Blvd.
- **La Porte Plaza** on the southwest corner of SH 146 and Spencer Highway, which use to be a Chevrolet Dealership, is now home to a new, 40,000 sf retail strip center with **Dollar Tree** and **Goodwill Select**.
- **The Shops at Spencer** is a 10,000 sf retail center across from Wal-Mart on Spencer Hwy.
- **Catalyst Commercial, Inc.** identified each of the tracts of commercial land which are available for development and staff is making a development map to market the available properties to prospective (retail) commercial developers.

Houston Bayport Cruise Terminal

On 5 November 2014, **Princess Cruise Lines** began a three (3) year contract to offer cruises aboard its 3,200-passenger Caribbean Princess from the Houston Bayport Cruise Terminal, which is less than 3 miles and 10 minutes from the center of La Porte, Texas. From November to April each year, Princess Cruise Lines will offer 25, week-long, Western Caribbean cruises with calls to Costa Maya, Roatan, Belize City and Cozumel.

In the fall of 2014, **Norwegian Cruise Lines** began a three (3) year contract to offer cruises aboard its 2,374-passenger Norwegian Jewel from the Houston Bayport Cruise Terminal. From November to April each year, Norwegian will also offer 25, week long, Western Caribbean cruises.

Together, the Port of Houston Authority expects both cruise lines to attract more than **400,000** passengers over the next four years. Martin and Associates estimates an economic impact of \$2 million to the greater Houston region with each sailing, \$50 million annually and more than 200 jobs.

Airport Re-Development

Staff is identifying opportunities to re-develop and improve the value of the City's 300 acre airport, which is called the La Porte Municipal Airport.

Sincerely,



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