



City of Deer Park Annual Report

June 4, 2019

Chad Burke

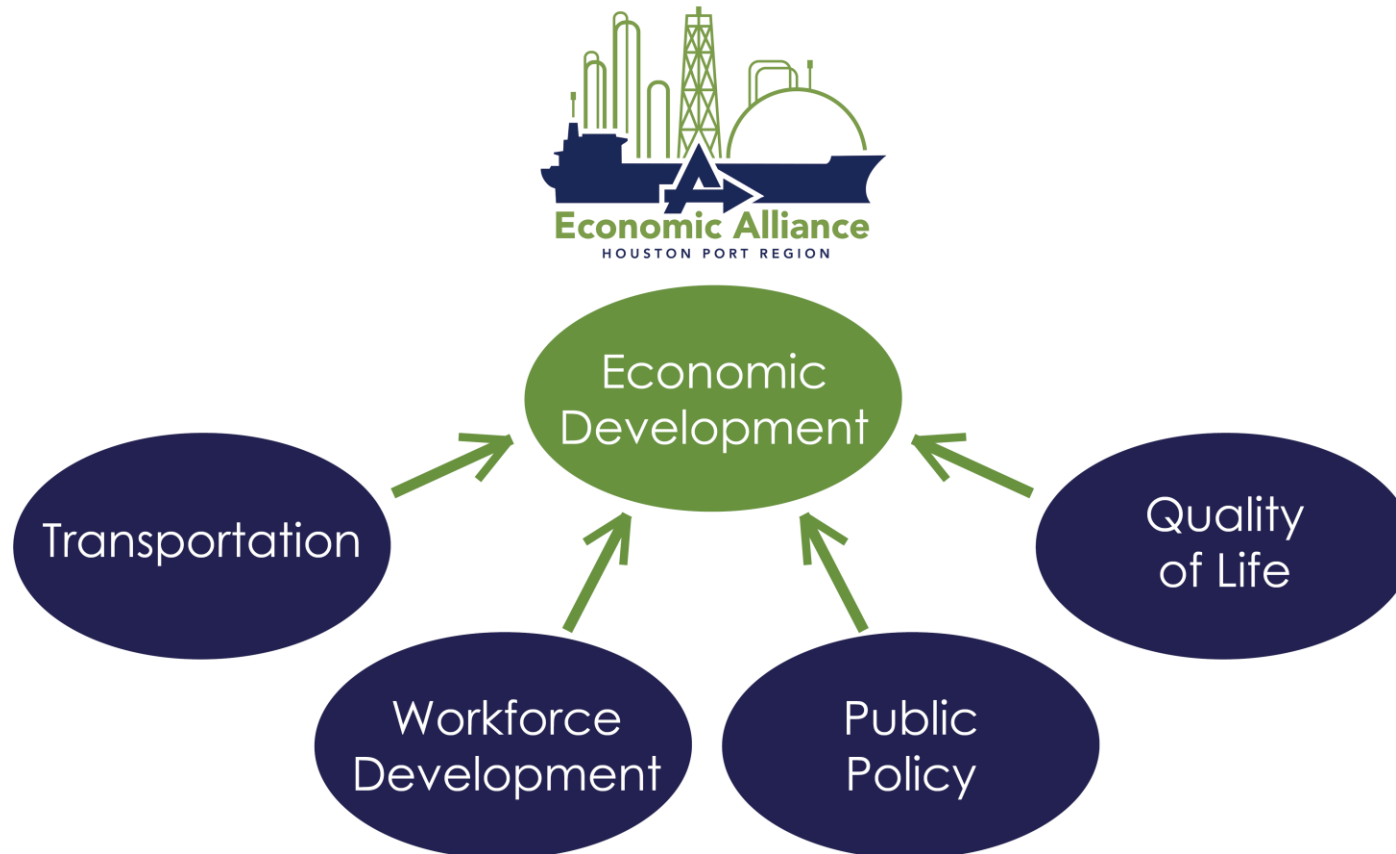
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Economic Alliance

Our Mission

A non-profit organization, created in 1985 whose mission is to ***Grow and market a vibrant regional economy.***



Who We Represent



Most sought-after region in the world for petrochemical, manufacturing, maritime and logistics operations



25 miles of the **Houston Ship Channel:**

1. World's largest petrochemical complex
2. Nation's busiest port in terms of foreign tonnage

12 Cities, Harris County, Port Houston, plus

250+ Private Sector Members



Economic Development

Economic Development



Professional Economic Development Services

Provide a professional relationship to navigate the multiple facets of the site selection/expansion process, including the facilitation to our economic development support network.

- Conduct **real estate searches**
- Participation and coordination of **site-selection tours**
- Facilitate **access to data**
- Provide guidance in evaluating State and Local **incentive & workforce programs**
- **Advocacy** for projects & **mobilization** of key members



Economic Development

Impact on the Houston Port Region – ED Projects '18



kaneka



MFG Chemical, LLC



CAPITAL INVESTMENT = \$1.035 B

JOBS CREATED
100

JOBS RETAINED
75

INDIRECT JOBS
680

ECONOMIC IMPACT ON THE HOUSTON PORT REGION

TOTAL JOBS
800

ANNUAL IMPACT
\$ 146.1M

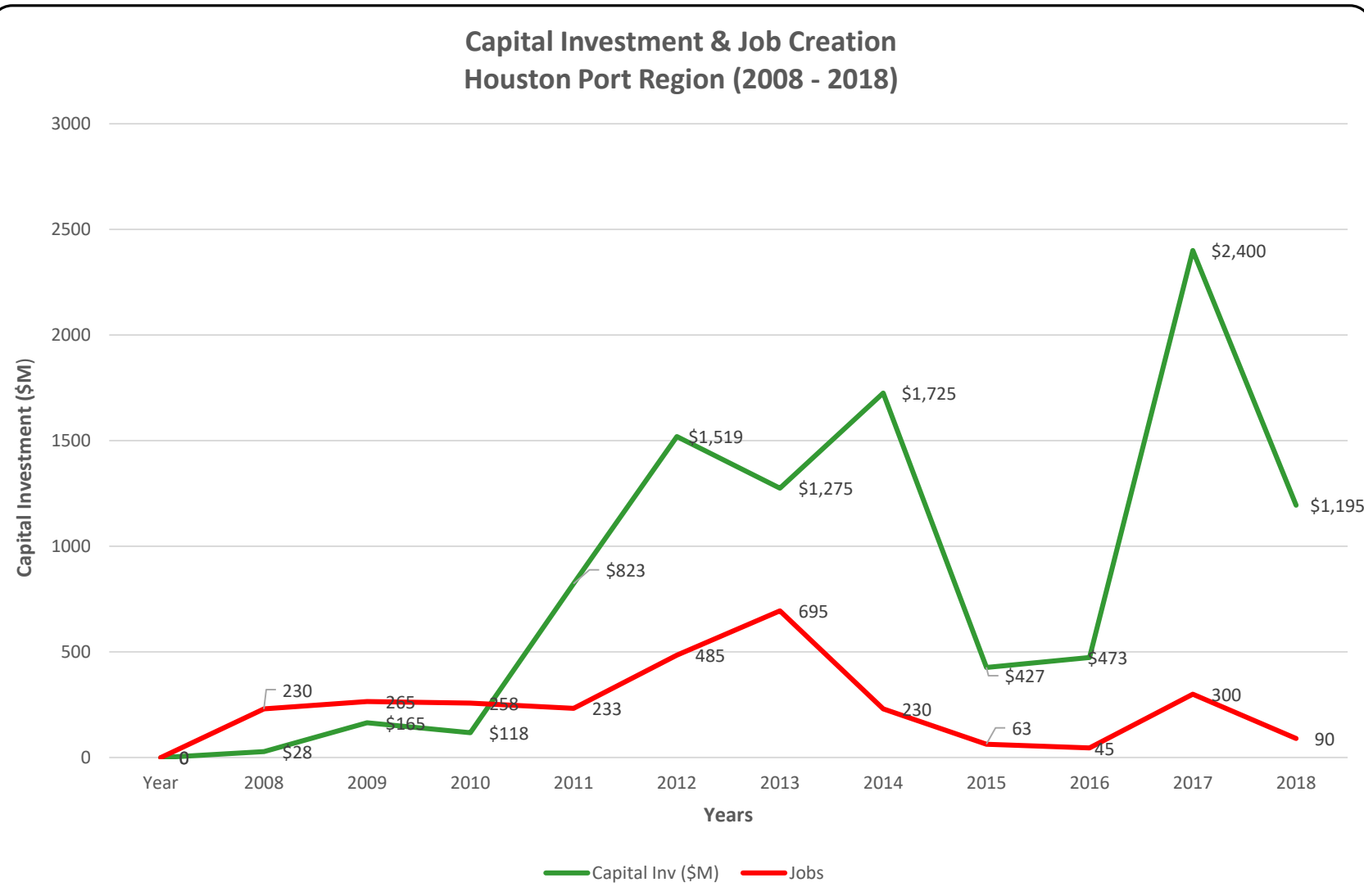
CONSTRUCTION JOBS
1275

ONE TIME IMPACT
\$ 1.1 B

Economic Development



Impact on the Houston Port Region – Historical



61 "Wins" since 2008:

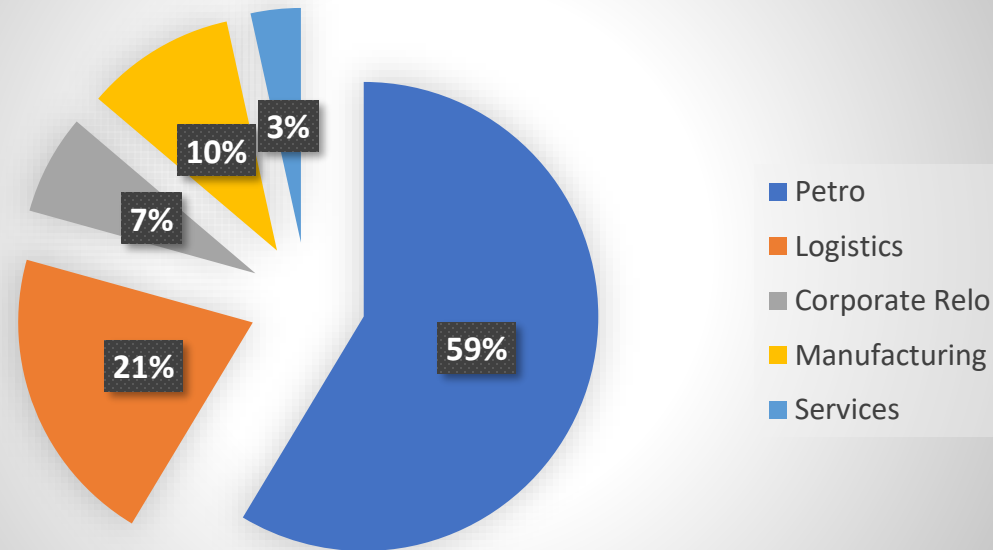
- **\$10 B Capital Investment**
- **2,894 Jobs Created**

Economic Development

Current Project Pipeline Breakdown

Total Projects	Potential Direct Job Creation	Potential Capital Investment
28	1,784	\$5.8B

Sector Breakdown by Percentage



Economic Development

Why focus on the Petrochemical Industry?

For every one job created from the business of chemistry,
7.1 jobs are created in other sectors.

In addition, the average annual salary of a U.S. chemical industry employee in Texas is \$106,707, which is 46 percent higher than the average U.S. manufacturing pay.





Transportation

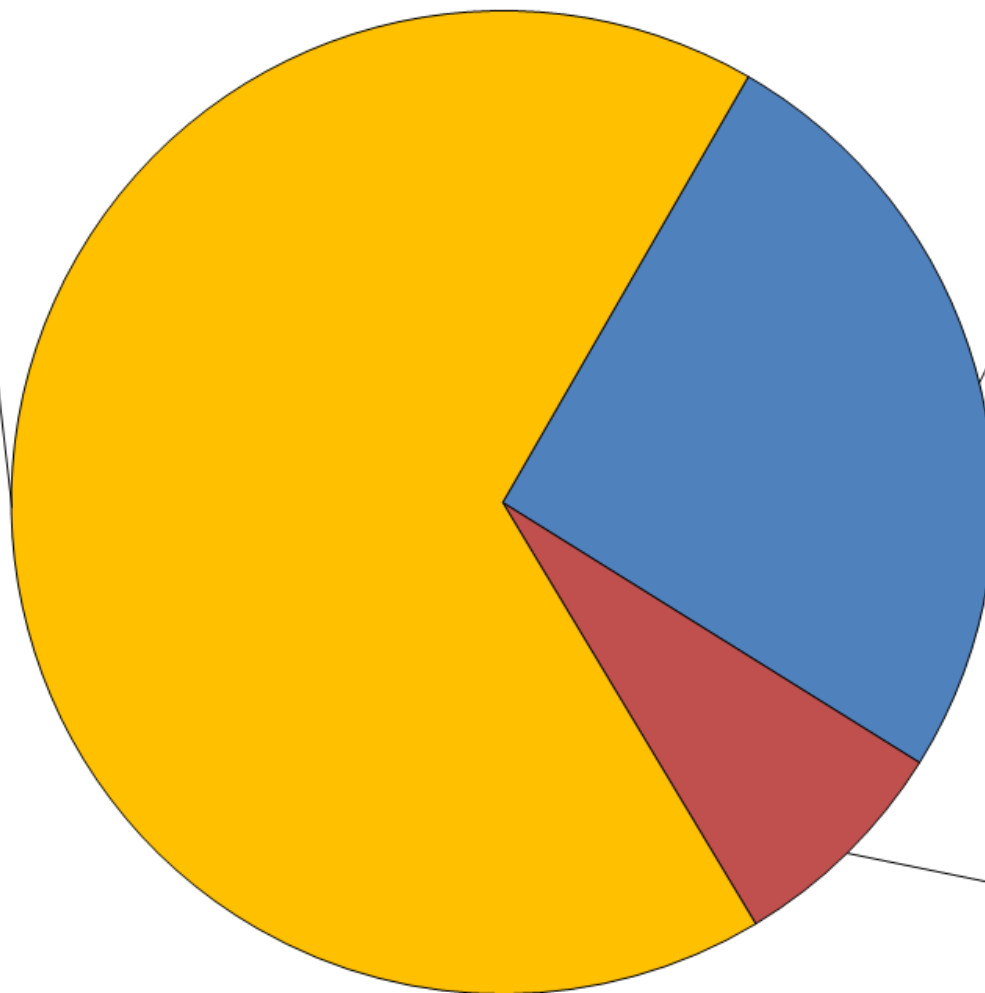


2014 Houston-Galveston-Brazoria Area NO_x Emissions

Mobile Source
67%

Point Source
26%

Area Source
7%



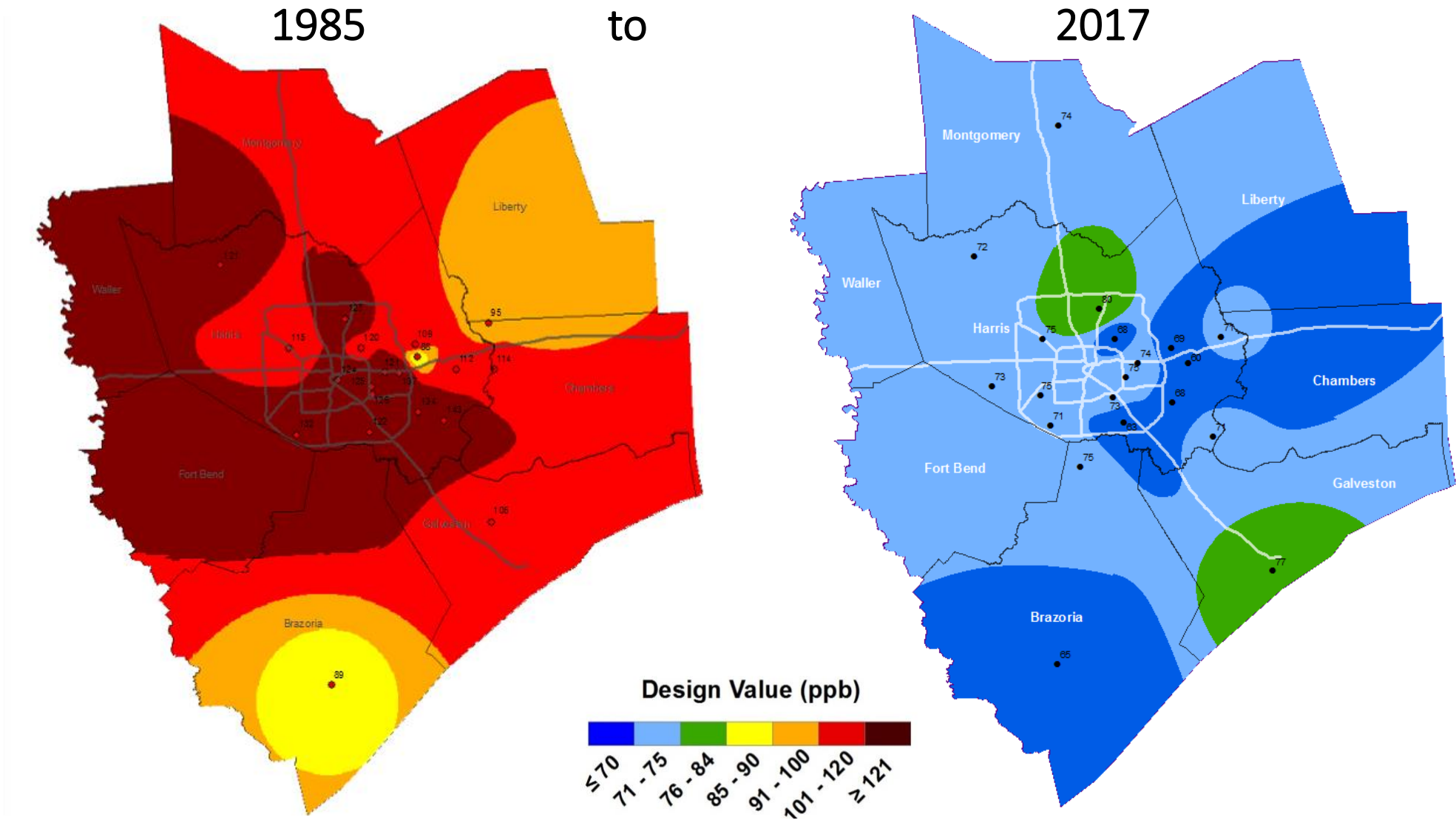
Counties:

Brazoria
Chambers
Fort Bend
Galveston
Harris
Liberty
Montgomery
Waller

Source: Air Quality Division

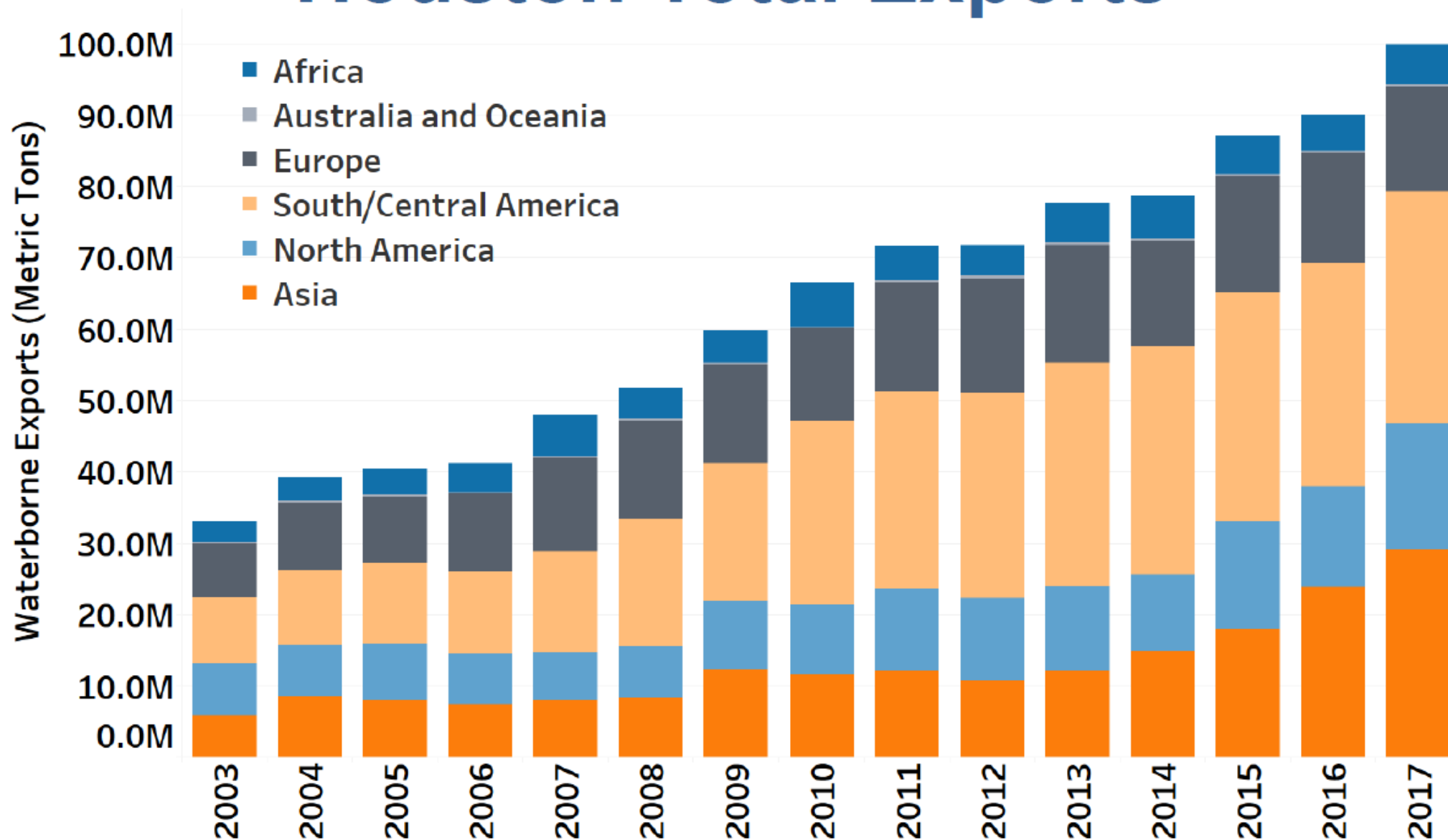
Updated: 1/11/2016

8-Hour Ozone Design Values

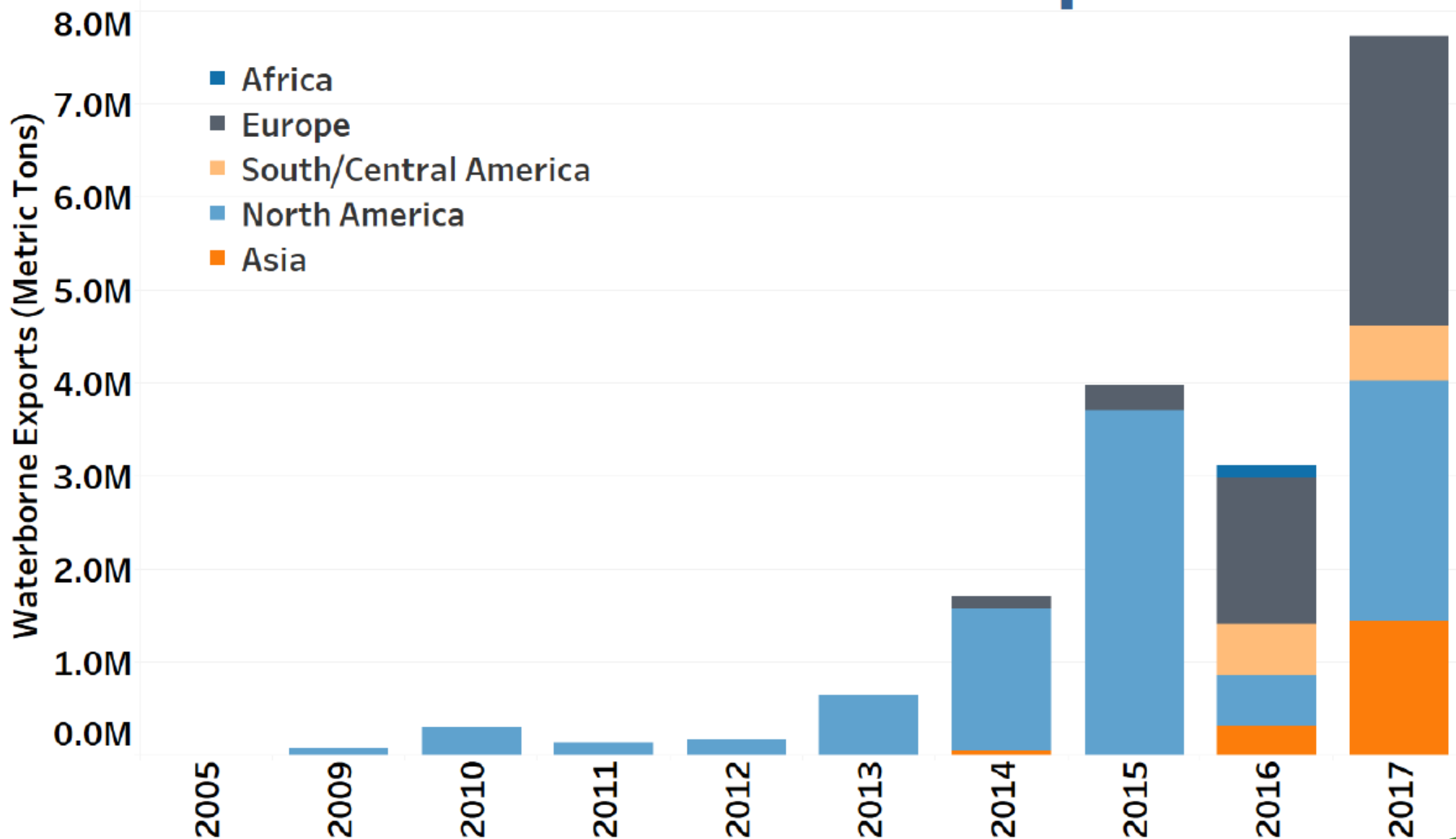


There Have Been Dramatic Air Quality Improvements in Houston since 1985

Houston Total Exports

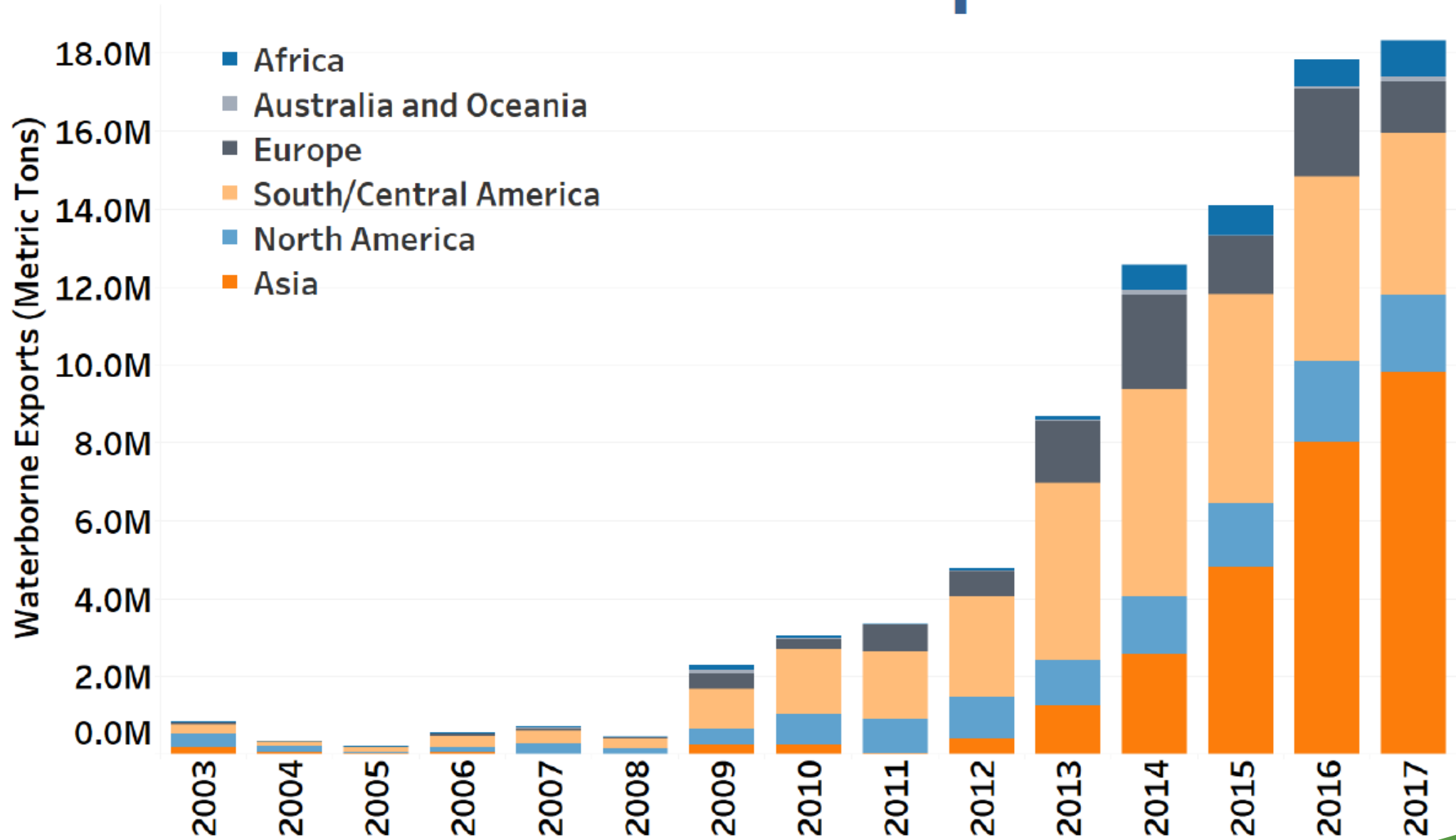


Houston Crude Oil Exports

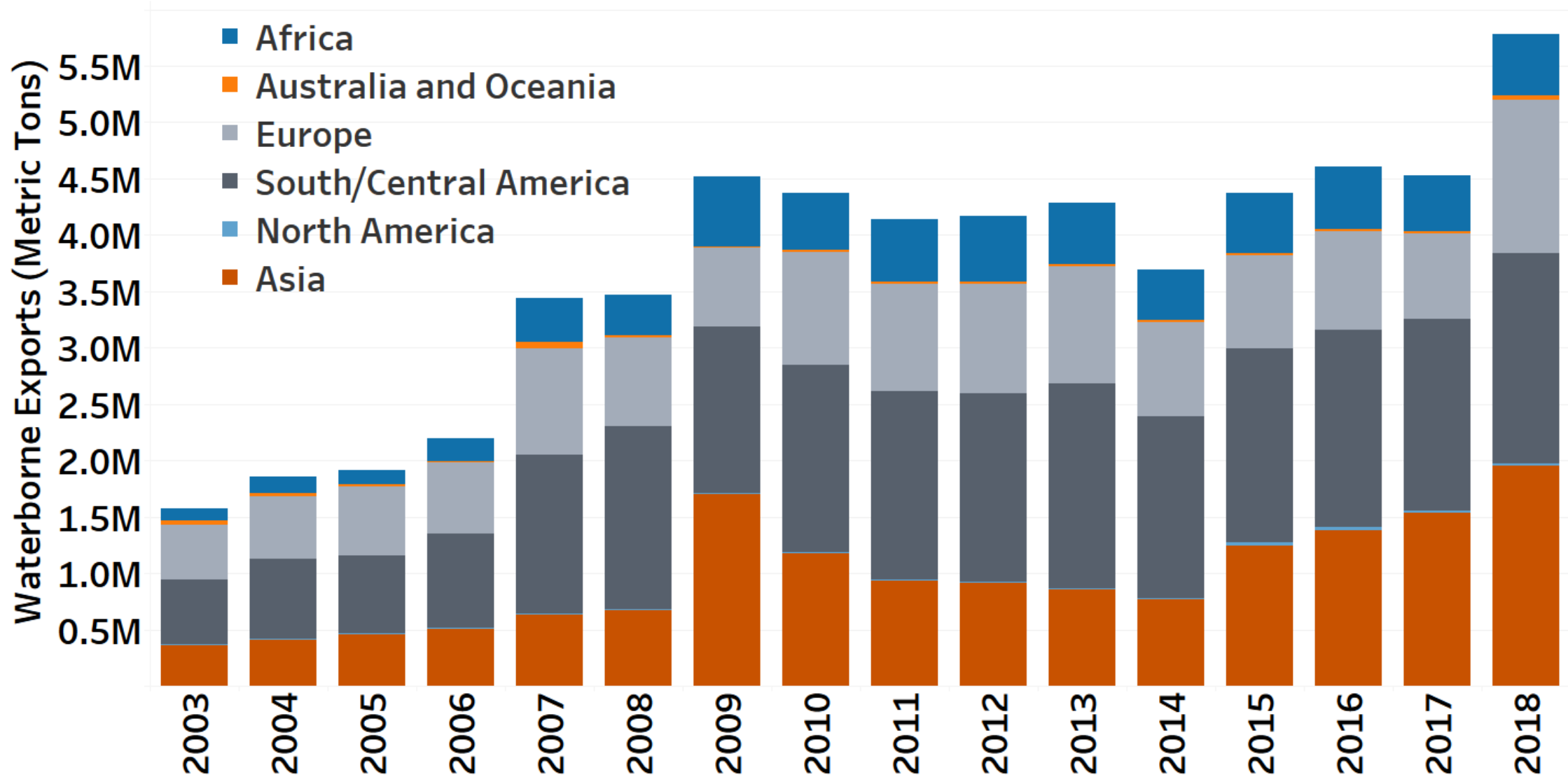


At the end of 2015, the US congress fully liberalized exports of all grades of US crude oil. *McKinsey*

Houston LPG Exports



Houston Plastics Exports 2003-2018



Public Policy - Transportation Taskforce



Why the Urgency

1. \$50B in projects in the petrochemical industry over the last 8 years, the first production came online in 2018
2. Combined with Port of Houston trade via the Panama Canal and increased resin production, container volumes will grow from 2 million TEU in 2016 to 3 million TEU by 2020
3. Houston Ship Channel activity accounts for 21% of states GDP
4. The state needs to invest in this critical freight infrastructure to avoid congestion & maintain global competitiveness.

Public Policy - Transportation Taskforce



Committee of Regional Transportation Stakeholders

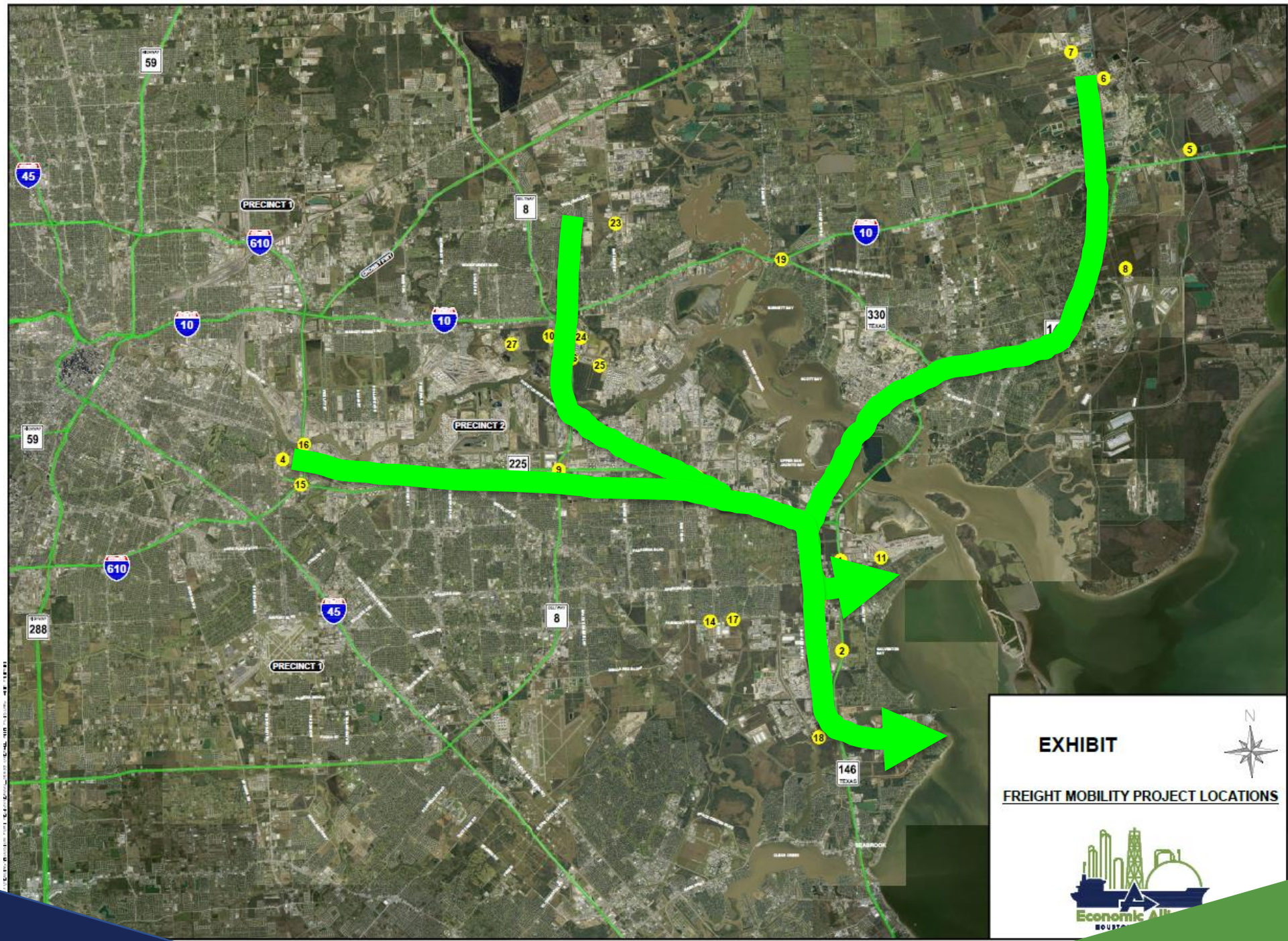
- Regional Mayors
- East Harris County Mfg's Assoc. (130+ plants)
- Port of Houston Authority
- Harris County
- TxDOT
- HGAC

**Addressing critical issues associated with the
movement of Freight and Commuters**

Houston Port Region Freight Improvement Strategic Plan



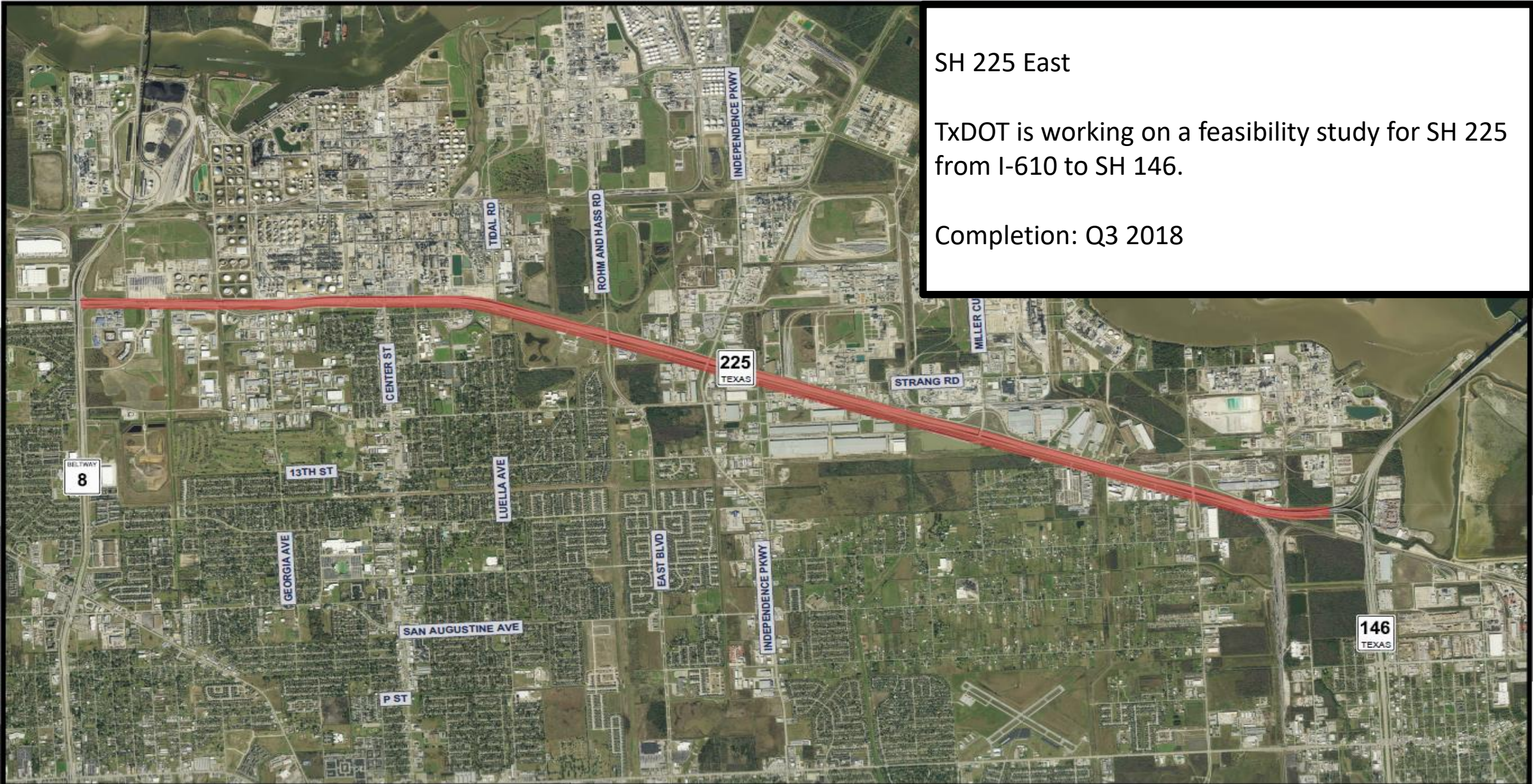
#	Project	Priority	Info & Updates
1	Barbours Cut Connectivity to SH-146	H/S	TxDOT is working on a design for restriping Barbours Cut Blvd, will need to continue to work to identify a long term connectivity solution
2	SH-146 Widening - Fairmont to Red Bluff Road	H/S	Widen to 6 main lanes, environmentally cleared, Final design underway/anticipated to let in Fall 2022.
3	SH-225 expansion/improvement (8-East 146)	H/S	TxDOT is working on a feasibility study for SH 225 from I-610 to SH 146. completion Q3 2018
4	Broadway Double Track Project	H/S	Construction is underway, should complete in 2019
5	Grand Parkway NE Segments H & I	H/S	Design-Build Project/recently awarded. The total cost of this project is approximately \$1.4 Billion. Estimated completion date is February 2022. Construction to begin Summer 2018
6	FM-1942 from Hatcherville Road to SH-146 – road improvement	H/S	
7	Hatcherville Rd from FM-1942 to Liberty/Chambers Co.Line – road widening	H/S	No improvements are currently planned
8	FM 565 from SH-146 to SH-99 – widening and addition of turning lanes	H/S	MPOID 17113; FY 2024 Project from FM 1409 to SH 99: Reconstruct and realign roadway is anticipated to let for construction in FY 2018
9	Peninsula Road Widening and Rail Crossing Improvement	H/S	Notice To Proceed was issued 12/2018, the rail crossing improvements are already underway, Project is in construction. Widen Pensinsula road to 4 lanes (3 inbound and 1 outbound) and make improvements to up to 6 rail crossings
10	SH-99 and I-45 direct connectors for trucks heading from PH to Dallas and Dallas to PH	H/M	Identified to TxDOT in March 2018
11	BW-8 Direct Connectors @ SH-225: Westbound on 225 to 8 N, Northbound on 8 to E/W 225, Eastbound on 225 to 85	H/M	Working with HCTRA, construction of 4 connectors is funded, applied for Federal Grant for the remaining work, environmental studies underway, No ROW needed, anticipated letting in 2021, estimate construction cost for entire interchange is \$180 Million
12	SH146 from I10 to Business 146 (Alexander Drive)		The grade separation/freeway starts at Alexander and continues all the way to Red Bluff. There probably needs to be some work on SH146 North of 110 through Mont Belvieu also
13	Penn City Connector	H/M	Need to develop a business case analysis for project
14	Barbours Cut Blvd expansion to 6 lanes	H/M	Need to develop a business case analysis for project
15	SH-225 expansion/improvement (8-West 610)	H/M	
16	I-69 Bypass (feasibility of a bypass on the East side of Houston is being considered)	H/M	Potentially starting as far South as Wharton and tying as far North as Cleveland. Potential to use SH 99 Seg. H & I. Southern Section of an I-69 Bypass is being discussed through HGAC. TxDOT is beginning an Origin-Destination Study (O-D) to determine how many trucks would use the route.
17	Fairmont Parkway (Turning improvements)	H/M	Under construction County and La Porte funded through TxDOT Grant
18	SH-225 and I-610 Interchange	H/L	TxDOT is working with H-GAC to begin a feasibility study for SH 225 from I-610 to SH 146
19	I-610 bridge at HSC	H/L	Additional meetings with the Economic Alliance are requested to identify the needs and project scope at this location
20	Fairmont Parkway (Widening)	H/L	Widening is recommended from Canada Rd to SH 146. There are at least 3 major freight generators on the south side of Fairmont in this area.
21	Port Road Phase 3 & Drainage	M/M	Design is underway, expected to let in Q4 2019
22	SH-330 (improve northbound connectivity to I-10 - 2 lanes or direct connect)	M/M	Construct Northbound to Eastbound connection. Working to secure construction funding. Anticipated environmental clearance – Summer 2018. The estimated let date is Spring 2022
23	Independence Parkway (improve Northbound connectivity to SH-225)	M/M	Dedicated turning lane. Getting those trucks in and out of Ind. Blvd. Increase turning capacity
24	Spencer Highway Bridge (Bayport Rail Mainline) at Fairmont	M/L	MPOID 10532; FY 2018
25	Bayport Mainline Rail Track	M/L	MPOID 10455; Need business case to support investment
26	Sheldon Road expansion	M/L	Project has been submitted to HGAC TIP Call for Projects.
27	Applet Road (Sheldon to Market)	M/L	
28	Jacintoport Road Improvement	L/L	Also on the Primary Highway Freight System, thereby eligible for federal freight funding
29	Jacintoport Direct Connectors	L/L	Direct Connect makes it a TxDOT/HCTRA discussion
30	Haden Rd (extension to Penn City Rd)	L/L	County roadway/POHA
TxDOT Projects shaded			Priority Level: Time Frame Required:
Harris County Projects			H-HIGH Priority / S-SHORT Term 0-5 yrs M-MEDIUM Priority / M-MID Term 5-10 yrs L-LOW Priority / L-LONG Term 10+ yrs





Ready to Let: 2021 or Earlier
Estimated Amount: \$180 Million

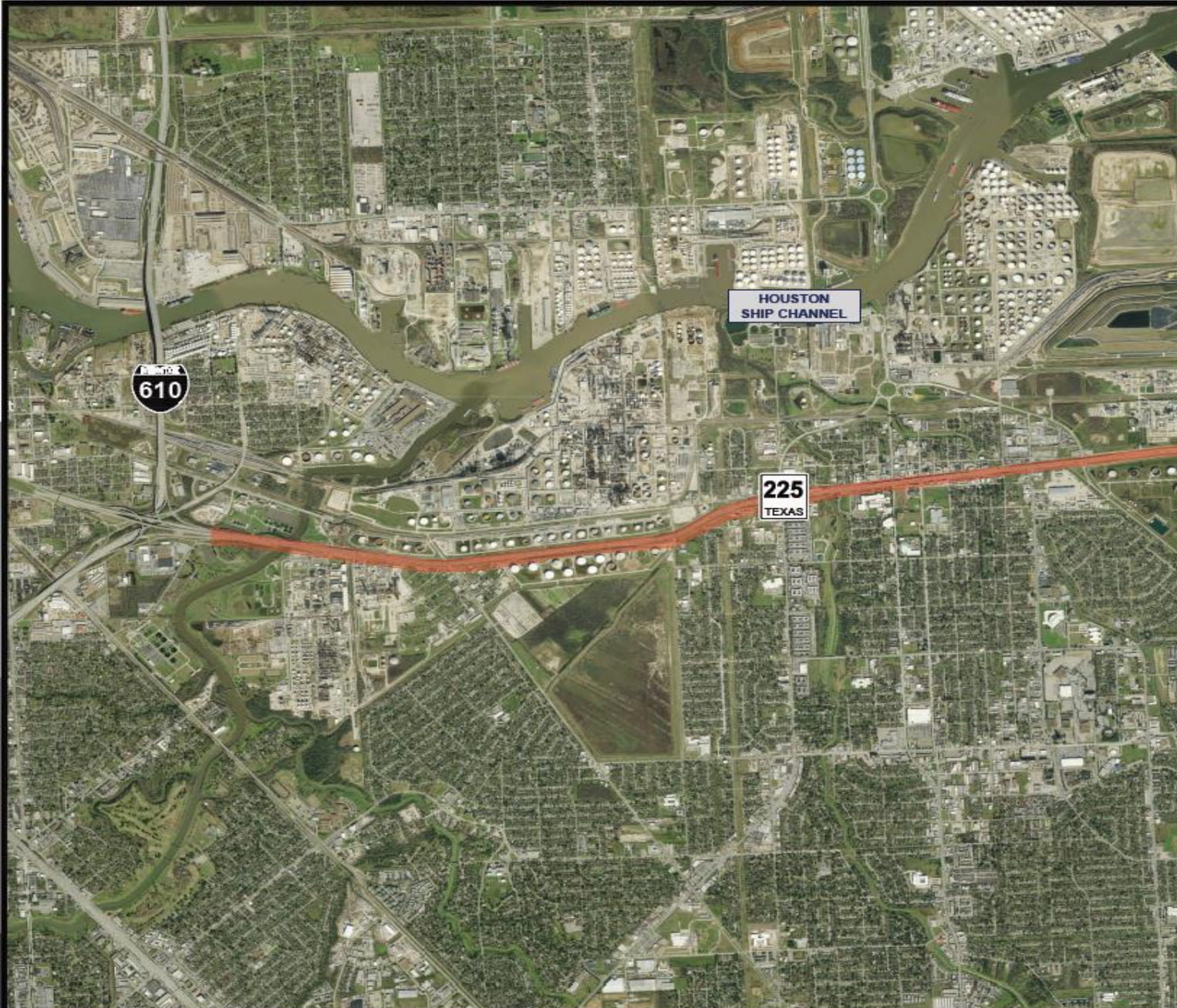




SH 225 East

TxDOT is working on a feasibility study for SH 225 from I-610 to SH 146.

Completion: Q3 2018

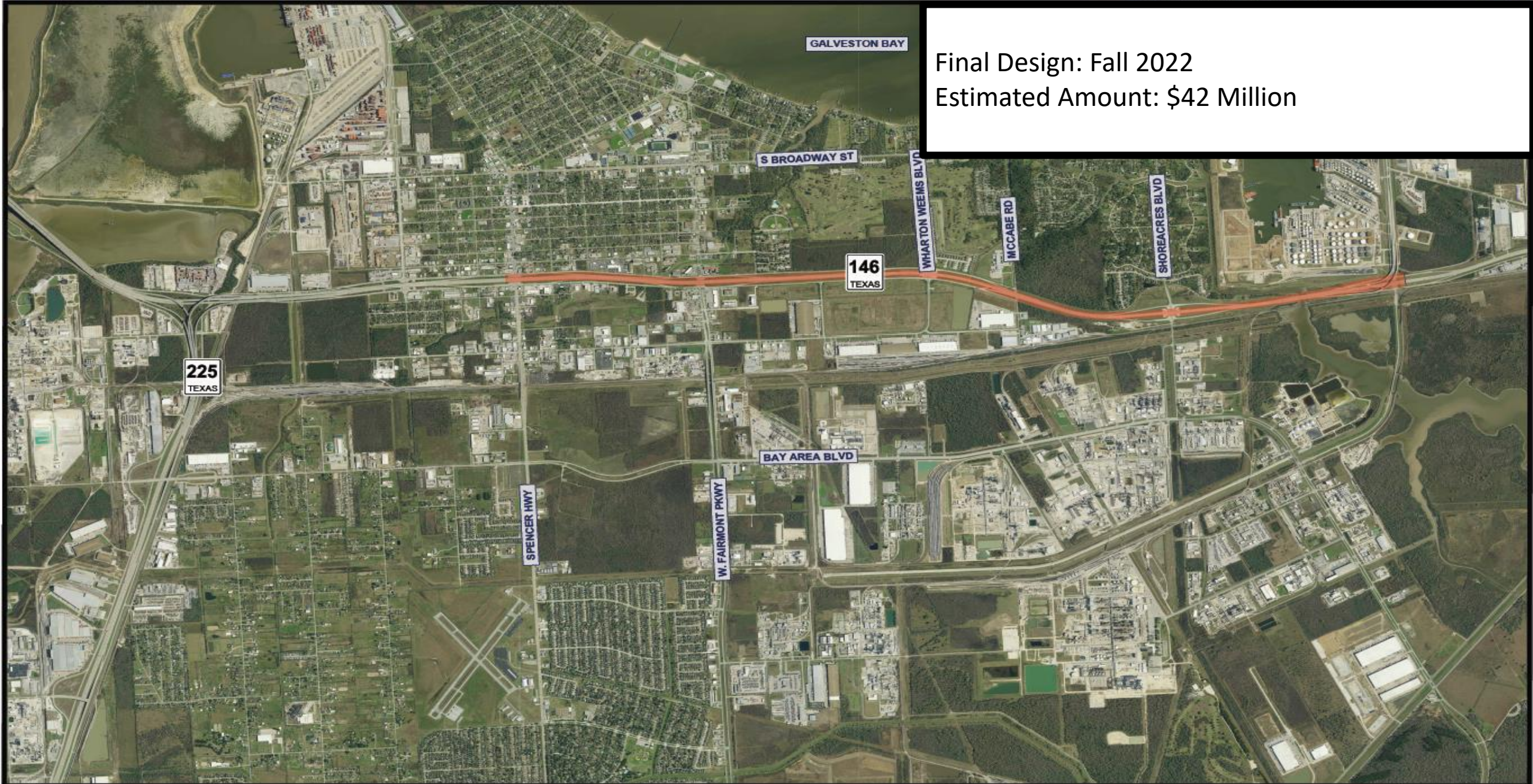


SH 225 West

TxDOT is working on a feasibility study for SH 225 from I-610 to SH 146.

Completion: Q3 2018





Final Design: Fall 2022
Estimated Amount: \$42 Million



Workforce Development

Workforce Development



Inspiring & Preparing the Next Generation Workforce

Filling the pipeline of potential workers in the petrochemical, maritime and logistics industries.



Leveraging **partnerships** with the EHCMA and 9 community colleges to **recruit and train a qualified workforce**



Providing **career paths and job opportunities** to address **attrition, skill enhancement and demand**



Targeting high-demand, high-paying careers supporting the petrochem and maritime industries

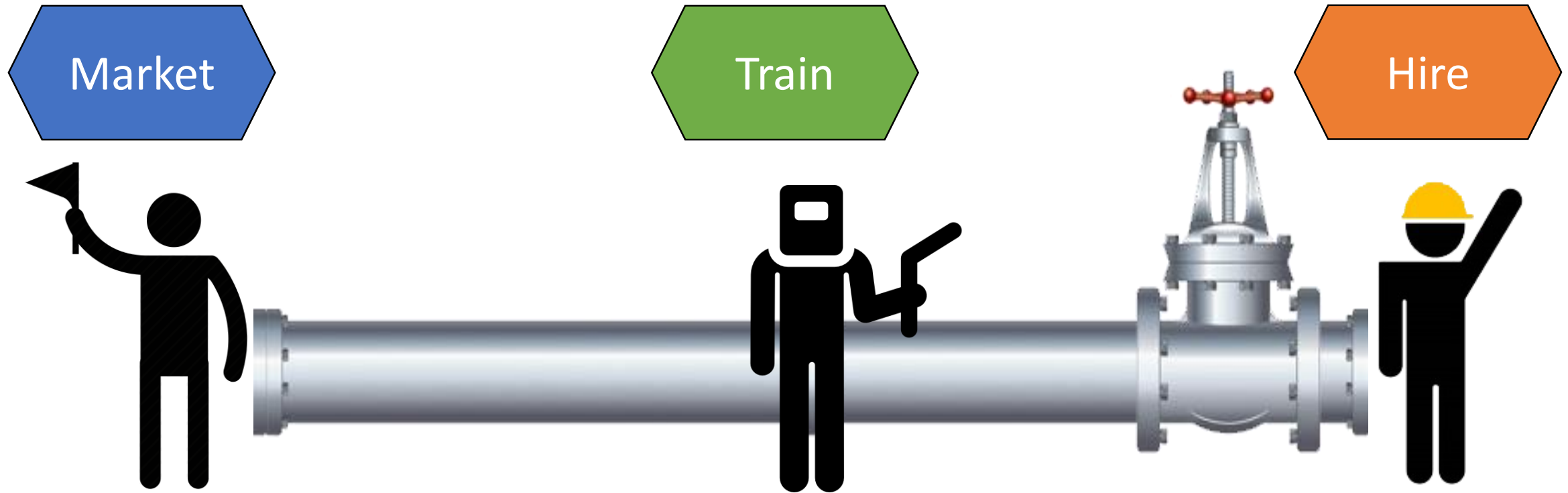


2019 Texas Economic Development Council's Workforce Excellence Award >250,000 population



Talent Pipeline

Our mission is to fill the pipeline of potential workers in the petrochemical, manufacturing, maritime and logistics industries. While leveraging partnerships with the East Harris County Manufacturers Association and 9 community colleges to recruit a qualified workforce.



Market



2016

50
Presentations

5,222
Contacts

2017

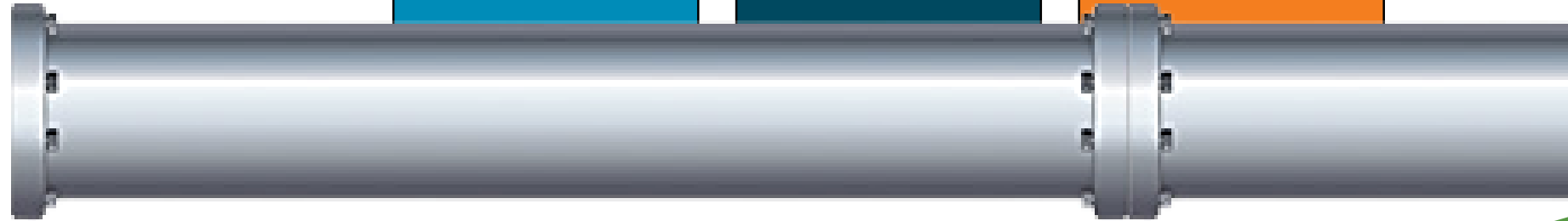
72
Presentations

12,909
Contacts

2018

76
Presentations

9,304
Contacts



2016 – 2018 Events & Contacts



- **198 Presentations**
- **27,435 Contacts**





Public Policy

Public Policy



2018

Federal Policy

30 Economic Alliance members participated in 18 meetings in Washington DC and 14 post-trip conference calls.



Federal White Paper Considerations

Port Infrastructure – Widening Project
Workforce Investment
EXIM Bank Reauthorization
Storm Surge Protection

2019

State Policy

24 Economic Alliance members participated in 31 meetings in Austin, TX



State White Paper Considerations

Chapter 312 - **Reauthorized**
Coastal Spine Taxing Authority - **Passed**
Workforce HB2214 – Deploy to Employ - **Passed**
Texas Emissions Reduction Plan - **Passed**
Expedited Permitting - **Passed**

2019

Federal Policy

31 members participated in 35 meetings in Washington DC.





Leading the Conversation

Informing the Nation

Gulf Coast Industry Forum: September 18th & 19th 10th Annual Conference of National Industry Leaders

2-day Conference Brings Together Industry Leaders focused in
Petrochemicals, Energy and Logistics



Gulf Coast Industry Forum

AN ECONOMIC ALLIANCE HOUSTON PORT REGION EVENT



Networking & Connections

- **1000+** Attendees
- **40** Exhibiting Companies & Institutions



Industry & Market Insight

- Global Chemicals Outlook
- Plant Managers Panel
- Midstream Oil & Gas Report
- Regulations & Policy Update
- Port Houston Update
- CEO Outlook





Thank You

www.allianceportregion.com