



Economic Alliance Annual Report

Mission and Overview

Presented By:
Chad Burke
President/CEO

Economic Alliance Houston Port Region
chad@allianceportregion.com

MISSION:

Grow and market a vibrant regional economy

Economic Development

Identify and Support:

Secure businesses to locate /expand, invest capital and create jobs

Public Policy

Convening Entity:

Identify and advocate on issues of Houston Port region significance – State/Federal

Transportation/Infrastructure

Building Consensus:

Prioritize a transportation/infrastructure project list for TXDOT based on stakeholder input

Workforce Development

Preparing the Next Generation Workforce

Close the skilled worker gap and connect economic opportunities

Quality of Life

Capital for community impact projects

Support beautification projects in Houston Port region communities

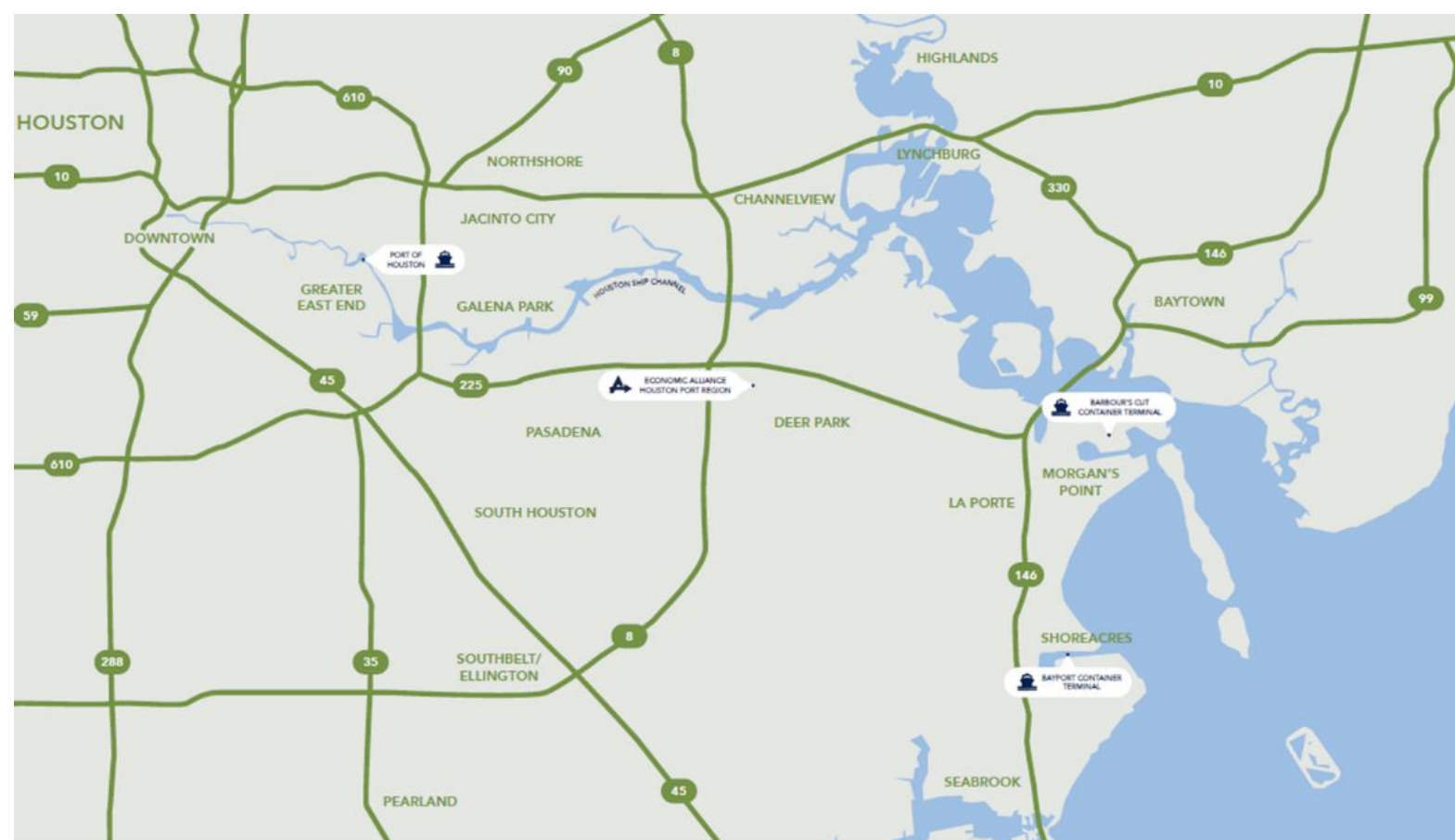
Thought Leadership

Events & Vehicles

Organize/present relevant and well attended information sharing events/vehicles

Footprint

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



25 miles of the Houston Ship Channel:

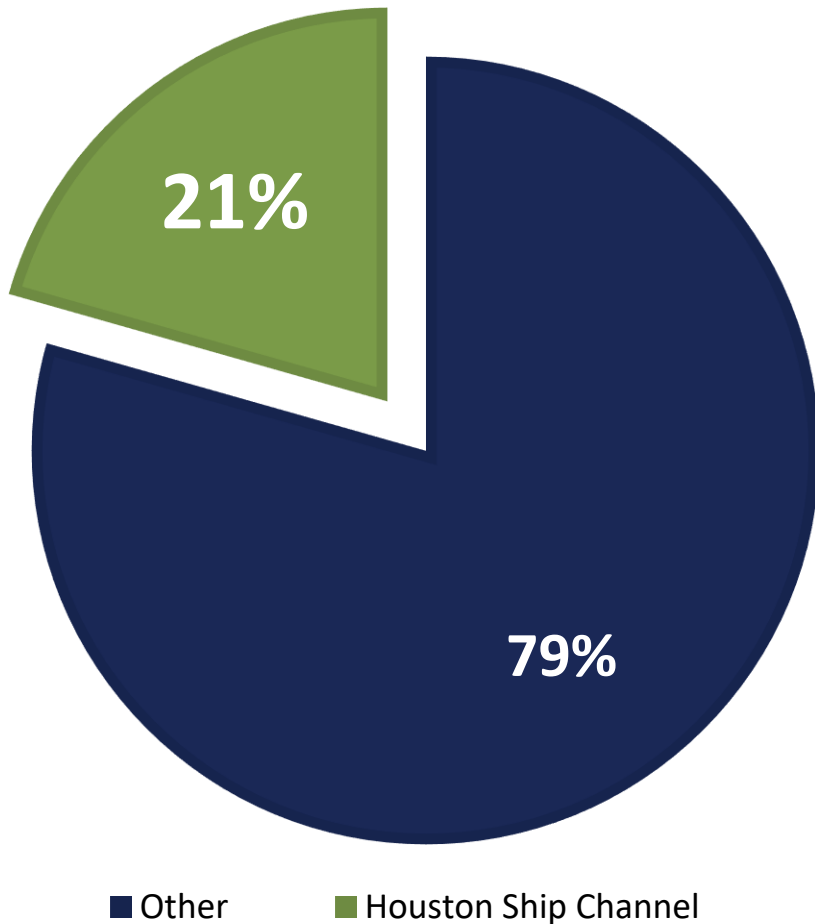
1. World's largest Petrochemical Complex
2. Nation's busiest port in terms of foreign tonnage

12 Cities, Harris County, Port Houston

250+ Private Sector Members

IMPACT of the Houston Ship Channel

% of State GDP



U.S. IMPACT

- **\$802 billion** in U.S. economic value
- **3.2 million jobs**
- **\$38 billion** in tax revenue

Texas IMPACT

- **\$339 billion** in economic value
- **1.3 million jobs**
- **\$5.6 billion** in state and local tax revenue



Economic Development

Houston Port Region

Production ADVANTAGES

- ✓ **Connected to the 4th Largest City in U.S.**
 - 152 million consumers within 1,000 miles
- ✓ **Abundant, Skilled and Available Workers**
 - Largest concentration of Production workers in U.S. (200K+)
 - Established Workforce Development Partnerships/Networks
- ✓ **Modern and Efficient Port Houston terminals**
 - Carrier services on all major trade lanes link Houston to international markets around the globe.
 - 247 million tons of cargo carried by more than 8,000+ vessels – 2 Modern Deepwater Terminals/Nation's leading Breakbulk Port
- ✓ **Economically Transport Goods between Port Houston and Inland Points**
 - Multiple logistics service providers
 - 10,000+ Port/Truck transactions a day at the container terminals

**ASSETS TO
SUPPORT A
PRODUCTIVE
AND EFFICIENT
OPERATION IN
HOUSTON TX**

Houston Port Region

ASSETS TO SUPPORT A PRODUCTIVE AND EFFICIENT OPERATION IN HOUSTON TX

- ✓ Proximity to feedstocks – Texas and U.S. shale oil & gas
- ✓ Proximity to markets – via the Port of Houston
- ✓ Country - Stable Business Environment
- ✓ Cost to build, operate & maintain - workforce



**ECONOMIC ALLIANCE WILL CONTINUE TO PROTECT
AND ENHANCE THE HOUSTON PORT REGION**

Professional Services

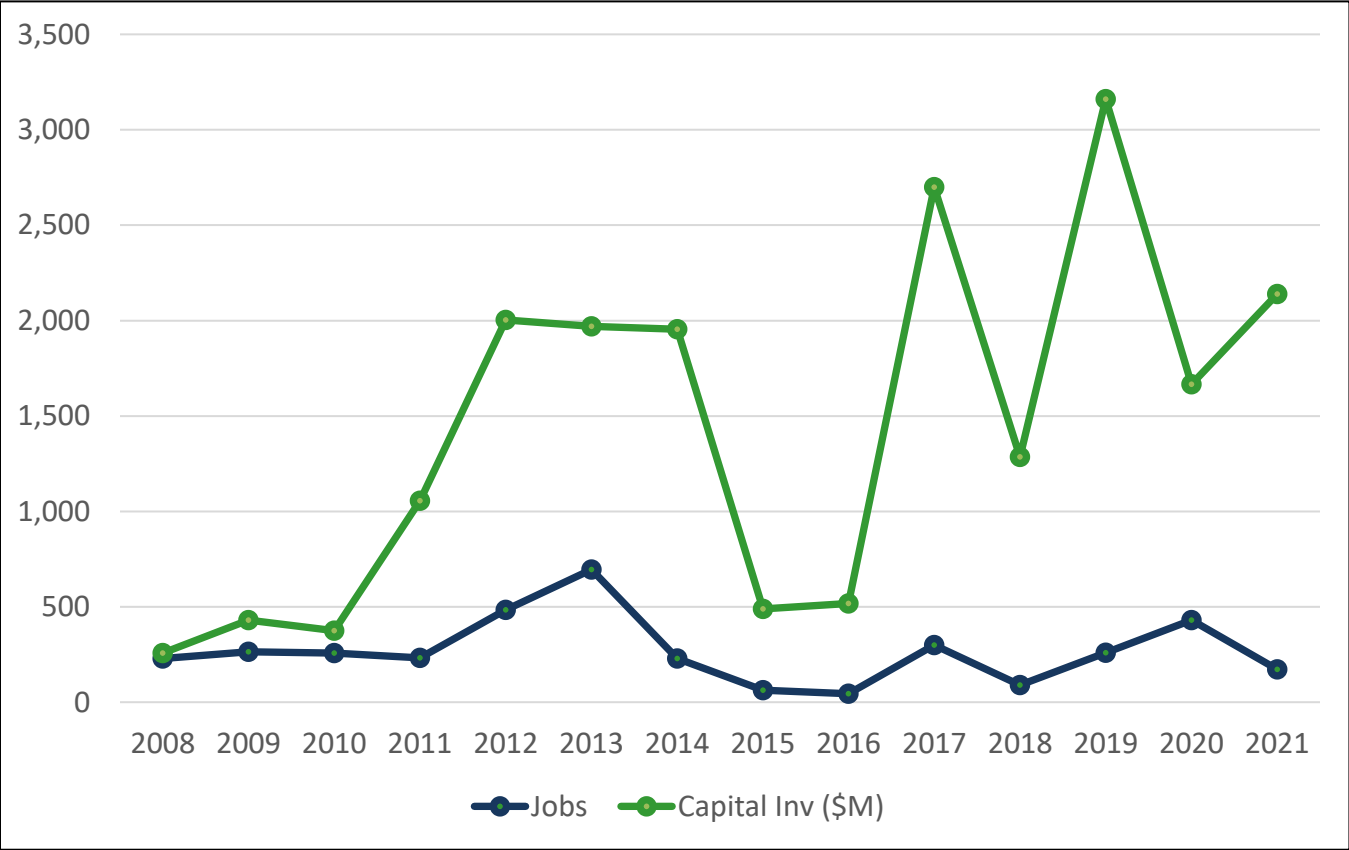
Provide a professional relationship to navigate the multiple facets of the site selection/expansion process, including access to our economic development support network.

- Conduct **real estate searches**
- Participate in and coordinate **site-selection tours**
- Facilitate **access to data**
- Provide guidance in evaluating State and Local incentive **permitting and workforce programs**
- **Advocate** for projects and **mobilize** key members



Economic Alliance Project Announcements

Jobs and Capital Investment by Year

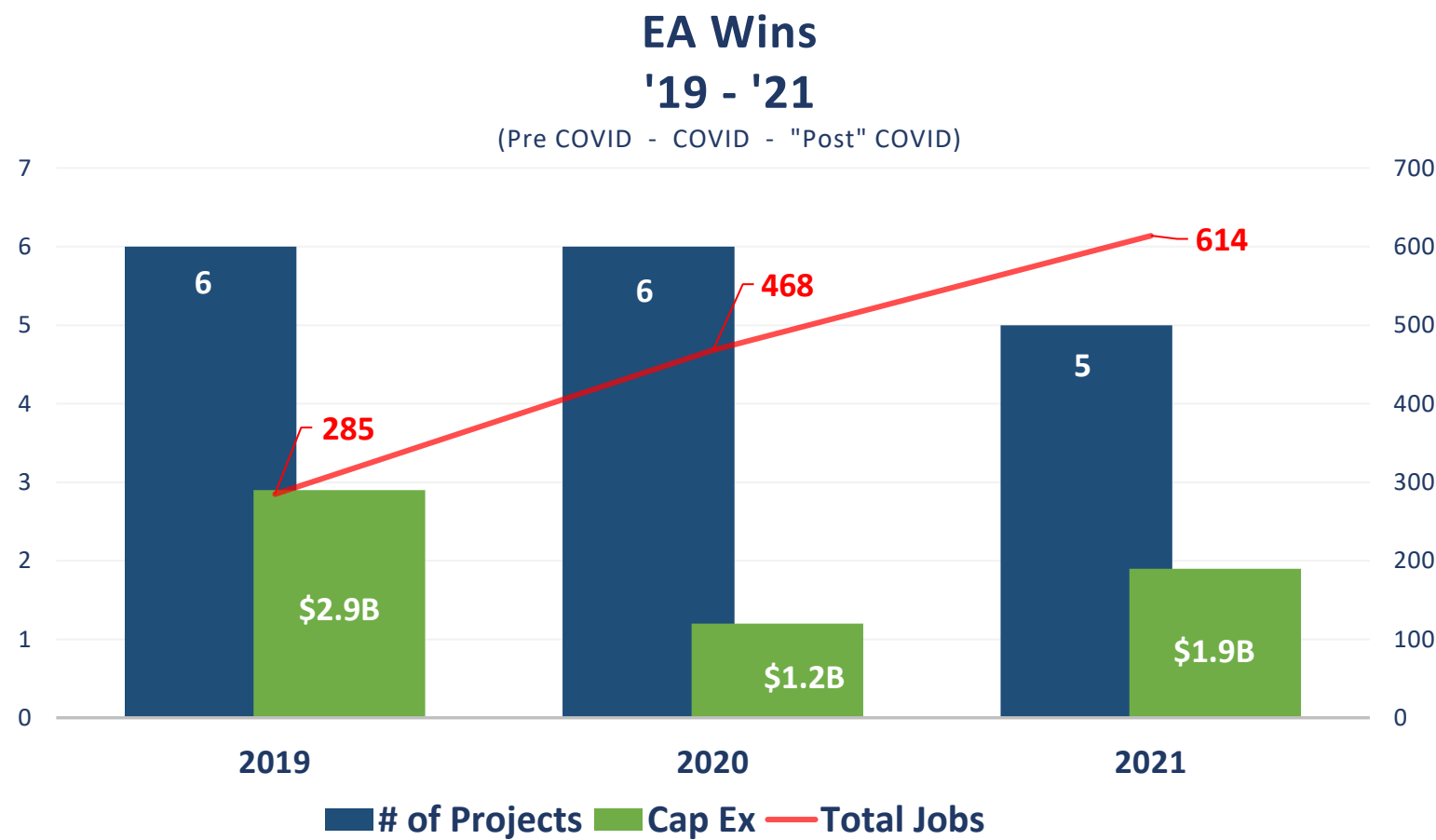


Totals since 2008:

- 74 Project Wins - 5.3/year
- \$16.3B Capital Investment
- 3,756 Jobs Created

Investment in the Houston Port Region

'19 – '20 – '21 Wins



Impact on the Houston Port Region

2021 Wins

5 wins - \$1.9B in one-time capital investment - 600 total jobs - \$265M in annual economic impact



COMPANY	DIRECT JOBS	INDIRECT JOBS	CAP EX	ECON IMPACT (Annual)	TOTAL JOBS	INDUSTRY
Covestro	25	53	\$1.6B	\$31.6M	78	PetroChem
Stepan	25	64	\$200M	\$47M	89	PetroChem
Air Products	30	113	\$100M	\$67.8M	143	PetroChem
Haldor Topsoe	75	197	\$65M	\$114.2M	272	PetroChem
Kelsey Seybold	17	15	\$2M	\$4.4M	32	Healthcare Services
TOTALS	172	442	\$1.9B	\$265M	614	

Indirect Job and Annual Economic Impact calculations by the Greater Houston Partnership Research Department based on multipliers supplied by the IMPLAN Group Inc

Impact on the Houston Port Region

2022 Wins

2 wins - \$1.45B in one-time capital investment - 600 total jobs retained

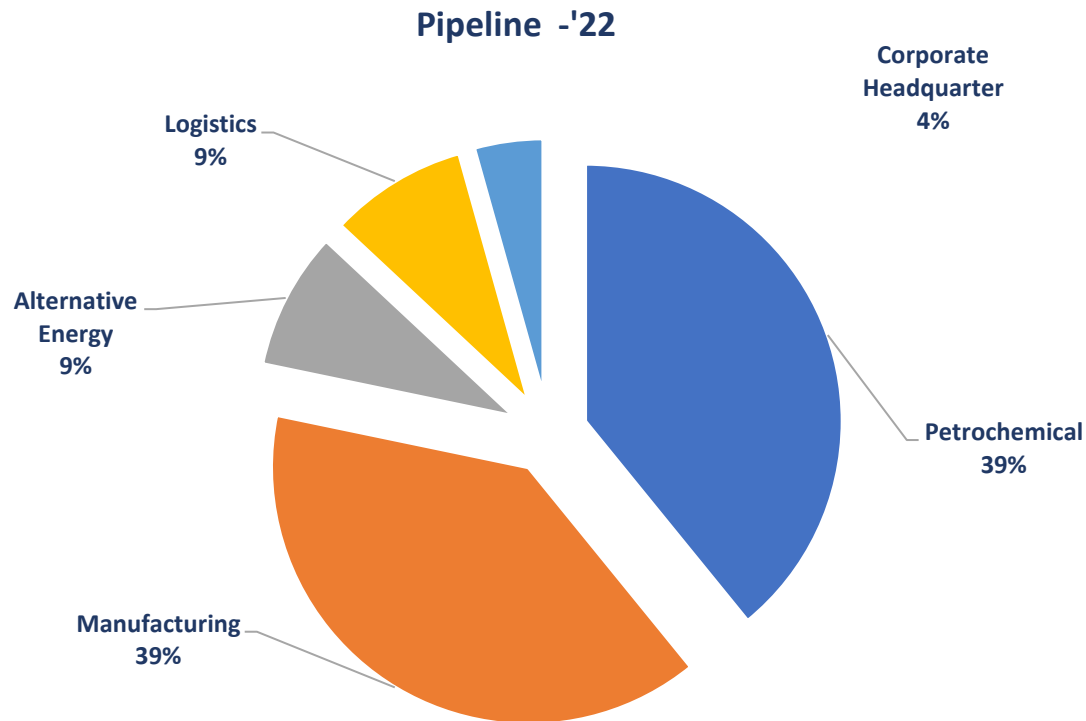
COMPANY	DIRECT Retained JOBS	INDIRECT JOBS	CAP EX	ECON IMPACT (Annual)	TOTAL JOBS	INDUSTRY
OxyVinyl	200	TBD	\$1.0B	TBD	TBD	PetroChem
Chevron	400	TBD	\$450M	TBD	TBD	PetroChem
YTD TOTALS	600	TBD	\$1.45B	TBD	TBD	



Indirect Job and Annual Economic Impact calculations by the Greater Houston Partnership Research Department based on multipliers supplied by the IMPLAN Group Inc

Project Pipeline – 2022

Industry Breakdown



Active Projects

✓ **23 Projects**

✓ **\$6.1B Cap Ex**

✓ **3,800 New Jobs**

✓ **300 Retained Jobs**

✓ **39% Petrochem**

✓ **9% Logistics**

✓ **39% Manufacturing**

✓ **9% Alt Fuels**

✓ **4% Corp Hdqtr**

Early stages and evaluating multiple locations across the Houston Port region.

Chemical Processing

Near-to-Midterm Constraints and Drivers



Constraints



Post-pandemic recovery



Supply chain disruptions



Inflation



Cost to develop green/blue commodities



Ukraine Invasion

Drivers



✓ Utilization rates have improved



✓ Plastic demand grows



✓ Consumer spending improves



✓ Population growth outlook positive

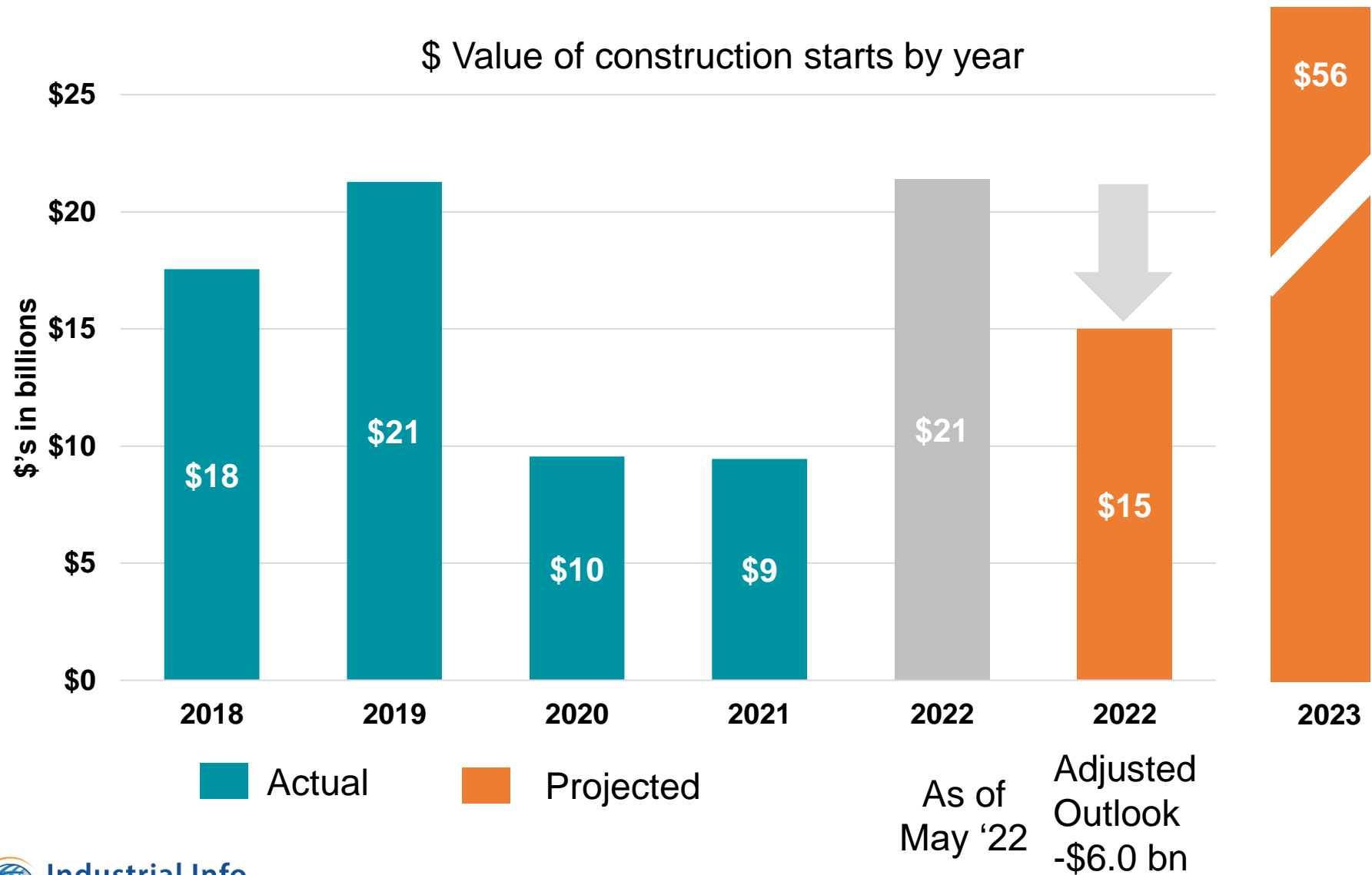


✓ ESG initiatives – Green & blue commodities



Chemical Processing

Mid-Year Spending Outlook for 2022...plus 2023



2022 Stats

- 17% increase in project activity
- 40% increase for In-Plant capital
- 8% increase for maintenance

2023 Stats

- Lack of cancellations
- Long-term demand
- Feedstock advantage

Operations Solutions

Resource/solutions provider to Houston Port region businesses, members, economic development allies and partners.



Battleground Manufacturing Complex needed to address the **safety of ingress & egress to their facility on Independence Pkwy**

- EA facilitated a meeting with Harris County traffic engineers
- County agreed to conduct a traffic study
- **Center turning lane is being constructed and the speed limit will drop from 55 to 45**



Permitting/timing issues with the City of Houston at their polymer grade propylene facility located on SH225

- EA facilitated a meeting with Houston's Chief Development Officer
- **Elevated/Solved issues around fast track of a new sewage plan eval, temporary trailer permits issued and removal of requirement for sidewalks and drives for temp structures**



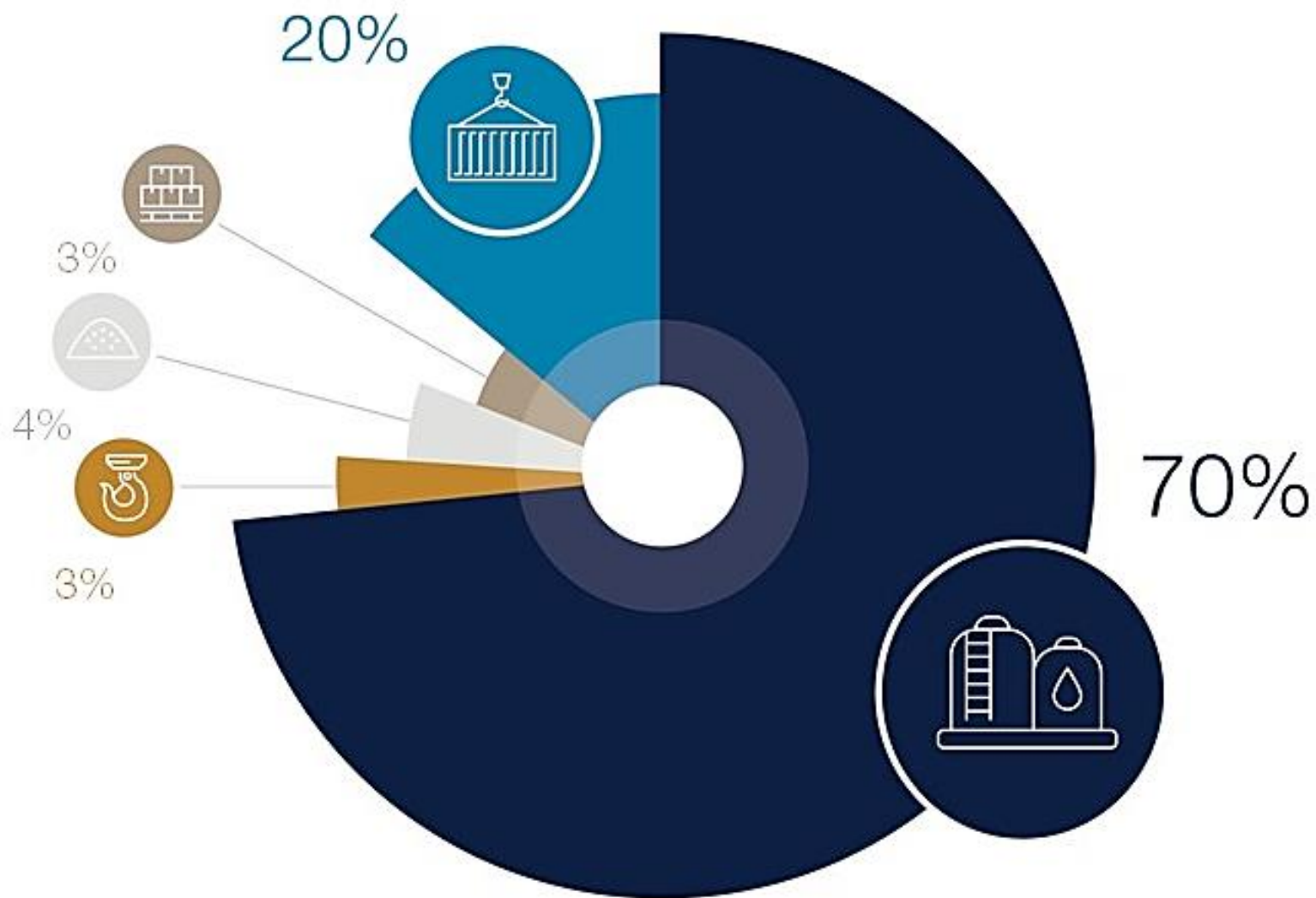
CPE was working with Kinder on relocating gas assets for the deepening/widening project and needed the right contacts at POH.

- EA facilitated a meeting with POH.
- **Elevated/Solved issues of CPE gas relocation project through convo about the Port's future expansion plans which helped in CPE's decision making.**



Transportation - Ship Channel

Port Houston - Cargo Sectors '21



- Liquid Bulk
- Containerized
- Project Cargo
- Dry Bulk
- General Cargo



CHEMICAL
EXPORTS



EMPTY
CONTAINERS



IMPORTS



MANUFACTURING
ENGINE



JOBS



RETAIL
& HOUSING
DEMAND

Key Metric of Activity - Vessel Movements – Houston and Texas Ports

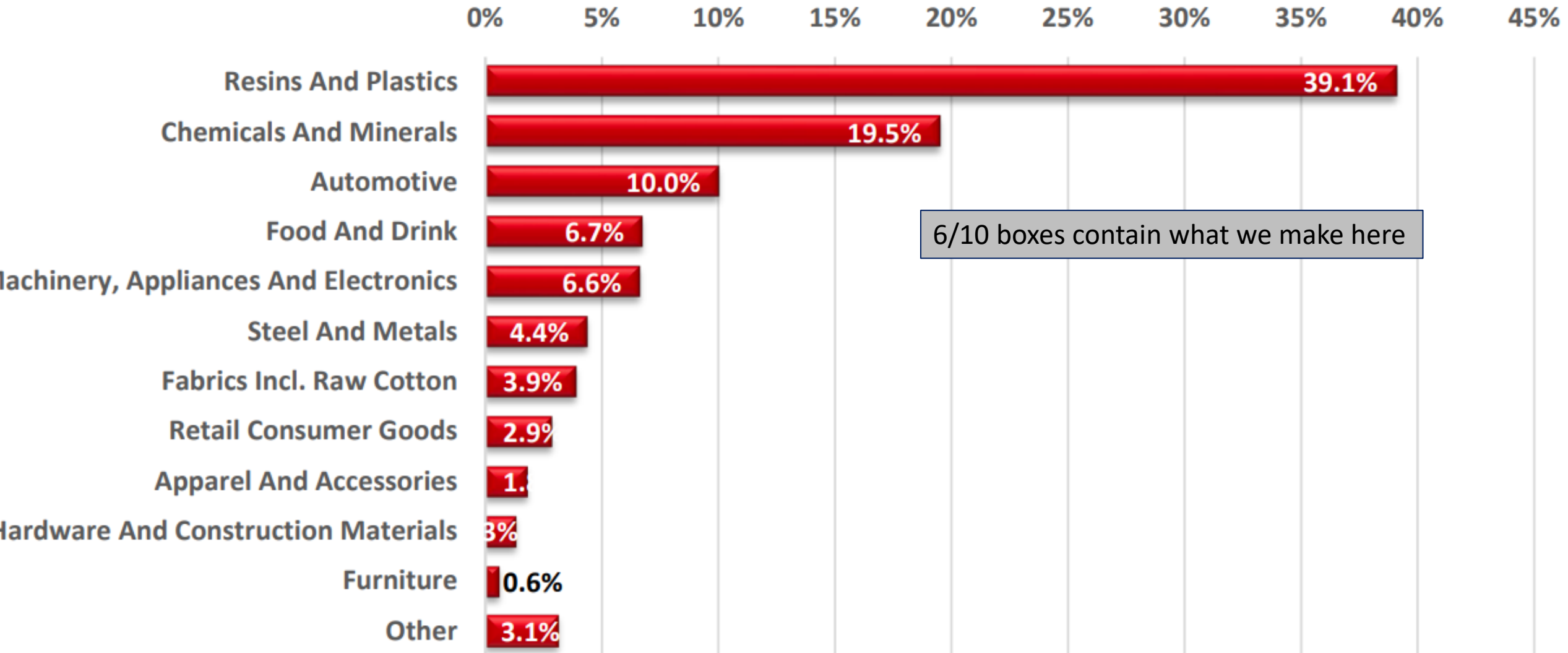
Summary - Vessel Arrivals

Port	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	YTD 2022	YTD 2021	YTD %Δ
Brownsville	27	21	21	22	15	17	28	19	170	176	-3% ▼
Corpus Christi	198	182	217	243	217	226	231	220	1,734	1,585	9% ▲
Freeport	97	95	124	99	109	101	83	89	797	830	-4% ▼
Galveston	76	53	103	89	105	82	96	88	692	615	13% ▲
Houston	697	621	741	708	712	691	727	731	5,628	5,388	4% ▲
Matagorda	20	17	18	25	29	28	24	20	181	145	25% ▲
Sabine	238	228	270	257	259	255	231	241	1,979	1,755	13% ▲
Texas City	64	55	82	81	73	74	87	62	578	516	12% ▲
Grand Total	1,417	1,272	1,576	1,524	1,519	1,474	1,507	1,470	11,759	11,010	7% ▲

All reports and associated data are produced by the Greater Houston Port Bureau for the sole use of the intended recipient(s) and may contain work-related product and/or proprietary information. Any unauthorized review, use, disclosure or distribution is inconsistent with the terms associated with the provision of this data and its related reports.

Container Commodities: Exports

Percent of TEU Total based on 2021 Data

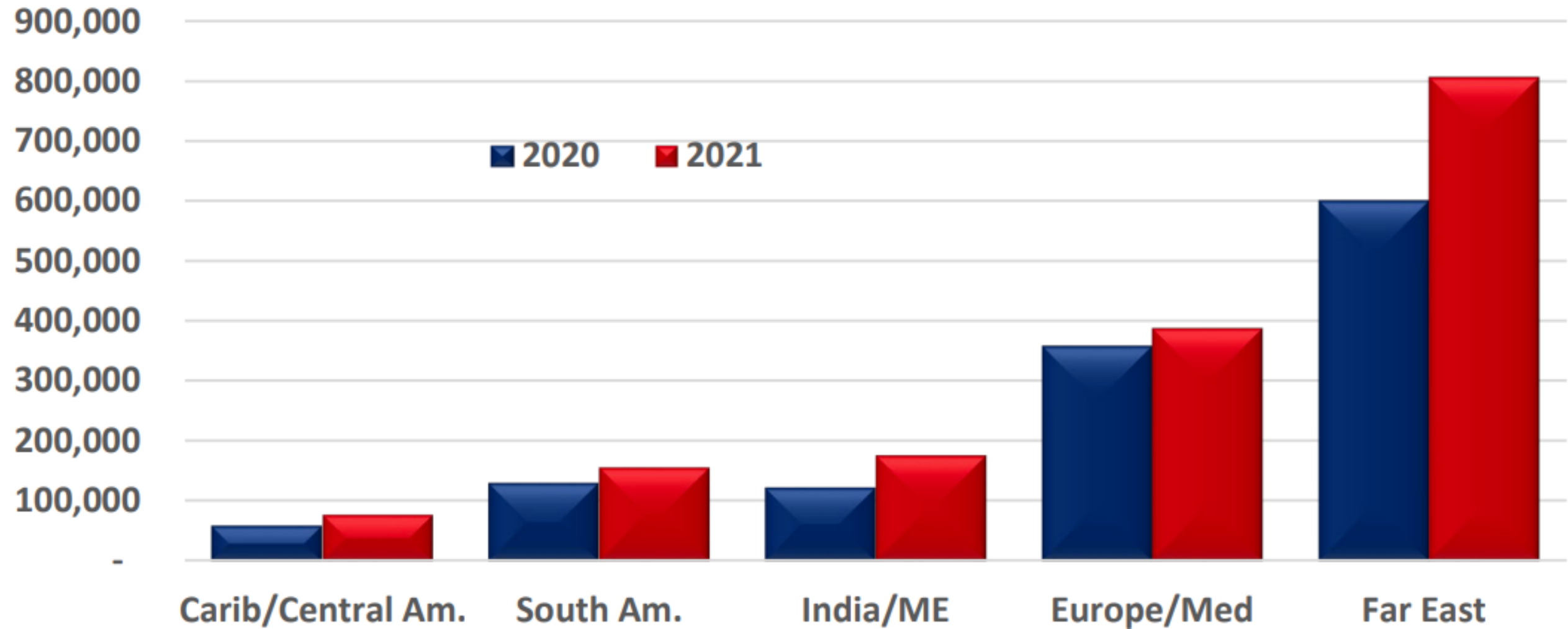


Source: Journal of Commerce/ PIERS data

Notes: Totals are estimated, not exact. Commodity categories based on custom Port Houston definitions.

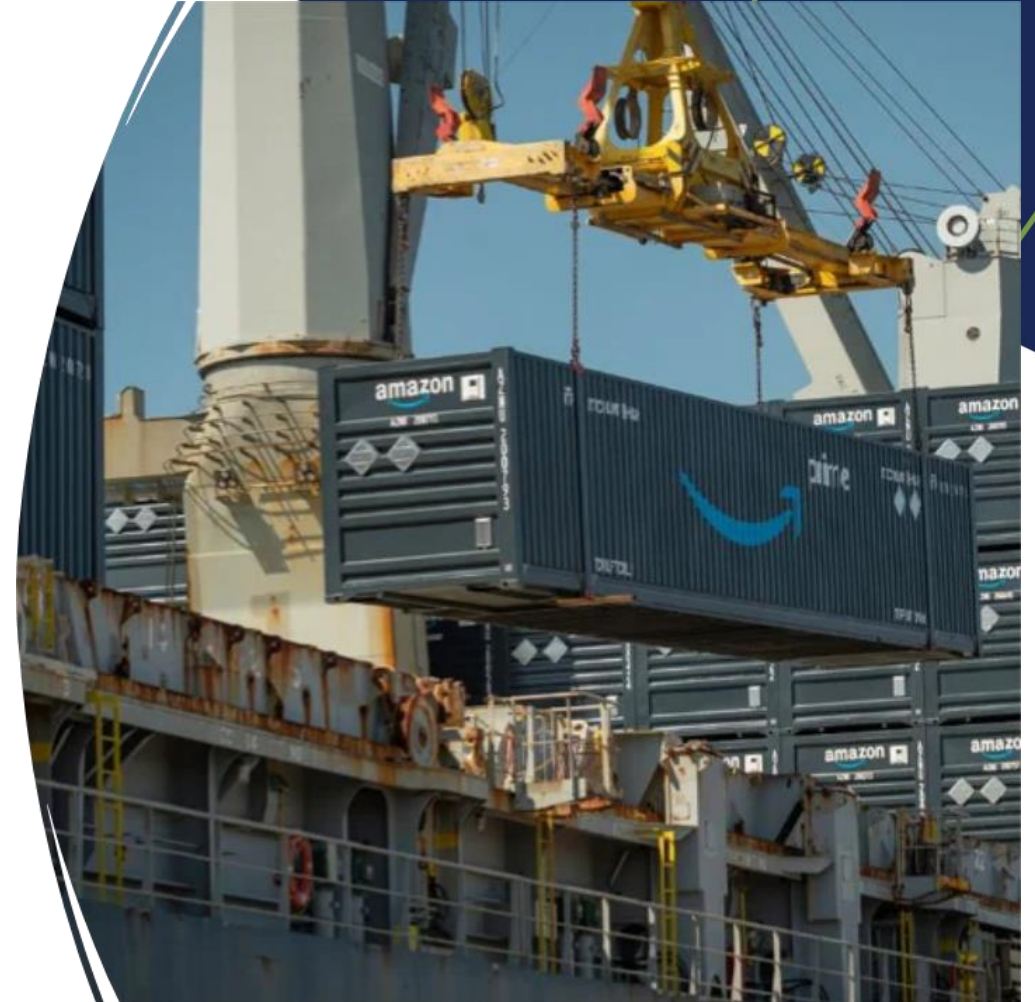
Top Containerized Trading Partners U.S. Imports

TEUs



Houston Supply Chain Growth

- Houston has seen Asian imports via Panama Canal go from 0% to 37% in the last six years
- Houston hit 3 million TEU's in '19 - topped 3.5 TEU's in '21 and expected to approach 4 million in '22



Vessel Movements



Details

Track

Add Photo

Add to fleet

Houston, United States (USA)		
ETA: Oct 08, 03:30		
Speed:	Course:	Draught:
12.4 kn	336.9°	11.9 m (max 12.6)
Status:	Last report:	
Under way	Sep 27, 2022 16:06 UTC	

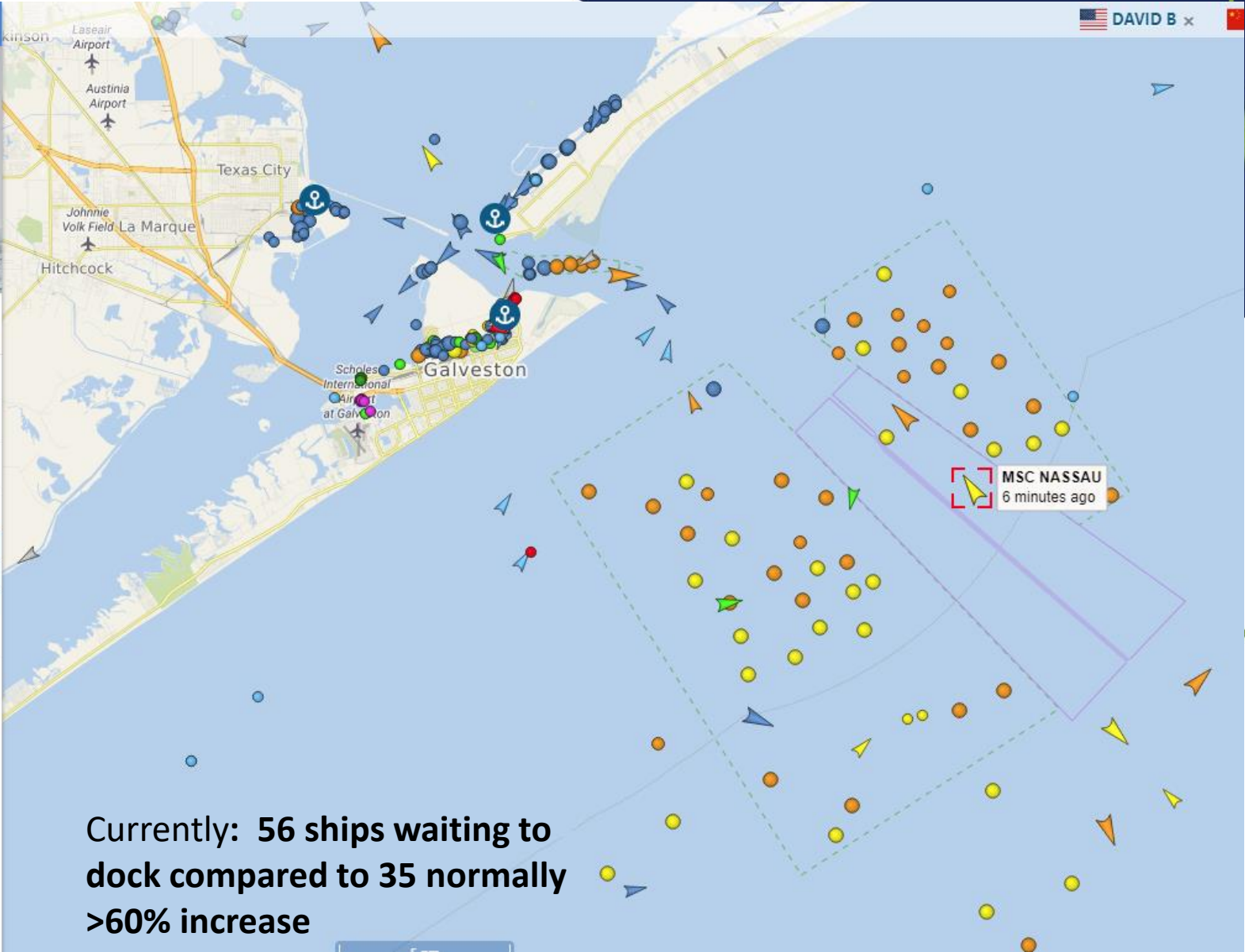
Panama Canal Anch. Atlantic, Panama
ATD: Sep 22, 18:00 UTC

PORT CALLS

WEATHER

VESSEL PARTICULARS

Gross Tonnage:	Built:	IMO number:
40993	2010	9471226
Deadweight:	Size:	MMSI:
50157	261 / 33m	636021128



Currently: 56 ships waiting to dock compared to 35 normally >60% increase



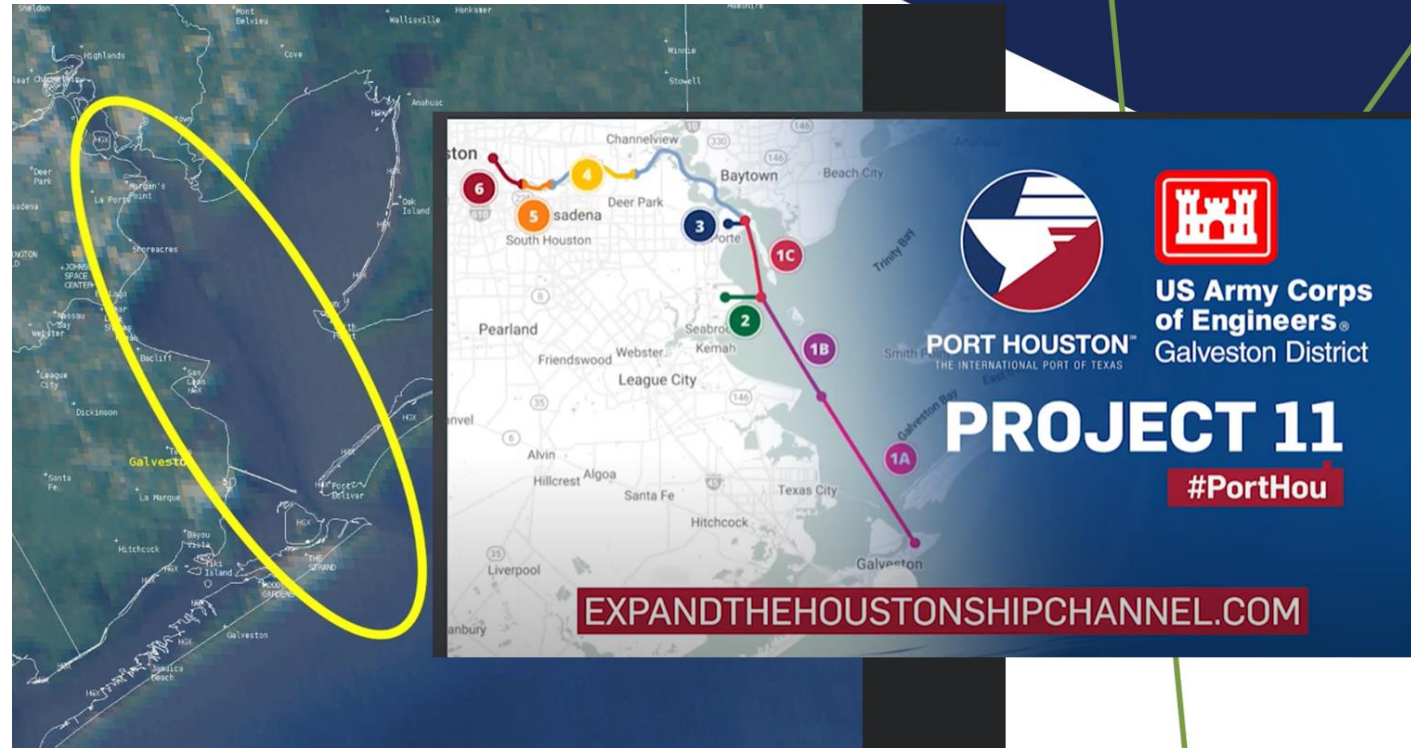
Transportation - Infrastructure Improvements



Port Houston – Widening & Deepening

Project 11/\$1Billion

- Widen the channel from 530 feet to 700 feet.
- It will also deepen upstream segments to 46.5 feet, make other safety and efficiency improvements





Ground Transportation & Infrastructure

Committee of Regional Transportation Stakeholders

Addresses critical issues associated with the movement of Freight and Commuters.

- Regional Mayors
- East Harris County Manufacturer's Association
- Port Houston
- Harris County
- Texas Department of Transportation
- Houston Galveston Area Council



TxDOT Priority List

Houston Port Region Freight Improvement Strategic Plan			
#	Project	Priority	Info & Updates
1	SH 146 at Barbours Cut	H/S	Intersection improvements. Construction completed.
2	SH 146 from Fairmont Parkway to Red Bluff Road	H/S	Widen to 6 lanes. Project was let in August 2021. Construction ongoing.
3	SH 225 Widening from BW 8 to SH 146	H/S	Part of the SH 225 and IH 610 East PEL Study. Phase 1 of the PEL is underway. Phase 1 is the data collection phase of the study. The PEL team has been conducting stakeholder coordination meetings, and a public meeting is tentatively scheduled for the second quarter of 2022.
5	Grand Parkway Segments H & I	H/S	Design-build new location freeway. Currently under construction. Construction is anticipated to be complete in 2022.
6	FM 1942 from Hatcherville Road to SH 146	H/S	TxDOT Beaumont District project. Road rehabilitation. Scheduled to let in 2023.
8	FM 565 from SH 146 to SH 99	H/S	Widen from 2 to 4 lanes with continuous center left turn lane. Scheduled to let in 2024.
10	SH 146 from Ferry Road to Business SH 146	H/S	Construct 4 mainlanes and bridge. Scheduled to let in 2022.
32	SH 99 at IH 45	H/M	Construct direct connectors for trucks heading from Port Houston to Dallas and from Dallas to Port Houston. Part of Grand Parkway System. Minimum scope to be built first per Market Valuation Waiver Agreement. Planning to program for 2040.
30	SH 99 at IH 69	H/M	Construct direct connectors for trucks heading to and from Port Houston. Part of Grand Parkway System. Minimum scope to be built first per Market Valuation Waiver Agreement. Planning to program for 2040.
9	BW 8 at SH 225	H/M	Construct 5 direct connectors. (WB-NB, EB-NB, SB-EB, SB-WB, NB-WB) Scheduled to let in 2023.
13	SH 225 Widening from BW 8 to IH 610	H/M	Part of the SH 225 and IH 610 East PEL Study. Phase 1 of the PEL is underway. Phase 1 is the data collection phase of the study. The PEL team has been conducting stakeholder coordination meetings, and a public meeting is tentatively scheduled for the second quarter of 2022.
14	IH 69 Bypass Route	H/M	TxDOT completed an Origin-Destination Study and presented findings to H-GAC. The study found that only a limited amount of truck volumes continue completely through the region without stopping at logistics facilities.
16	SH 225 and IH 610 Interchange	H/M	Part of the SH 225 and IH 610 East PEL Study. Phase 1 of the PEL is underway. Phase 1 is the data collection phase of the study. The PEL team has been conducting stakeholder coordination meetings, and a public meeting is tentatively scheduled for the second quarter of 2022.
17	IH 610 Bridge at the Houston Ship Channel	H/M	TxDOT reviewed and provided comments on the Port Houston vertical clearance study to help identify how high a new bridge should be.
20	Spur 330 at IH 10	M/M	Improve northbound connectivity to IH 10 by constructing an eastbound entrance ramp. Project was let in fall of 2020.
21	Independence Parkway at SH 225 Improved Connectivity	M/M	Part of the SH 225 and IH 610 East PEL Study. Phase 1 of the PEL is underway. Phase 1 is the data collection phase of the study. The PEL team has been conducting stakeholder coordination meetings, and a public meeting is tentatively scheduled for the second quarter of 2022.

PEL Studies

- I10 East Expansion/San Jacinto River Bridge
- SH 225 - 610 Expansion

Designed & Work Underway

- 146 Expansion & Widening/Fairmont to Red Bluff
- Beltway Bridge/225 Direct Connectors

I-10 East PEL

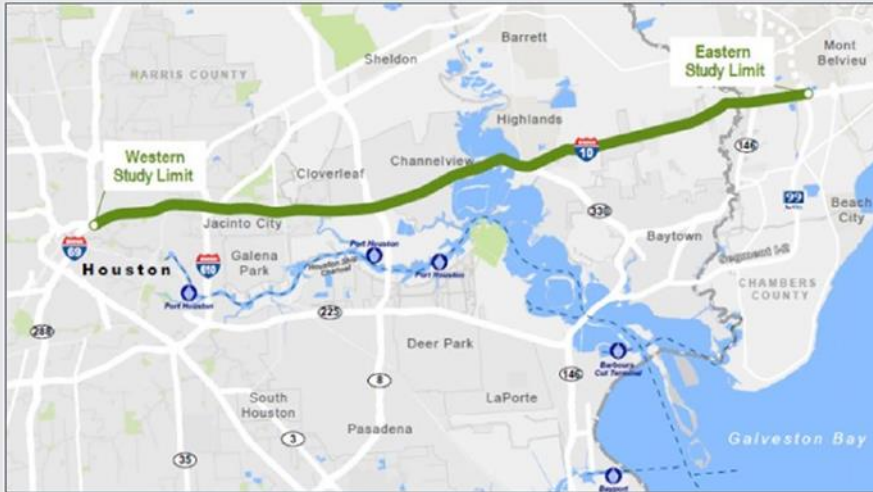


STUDY LIMITS:
I-69 to SH 99

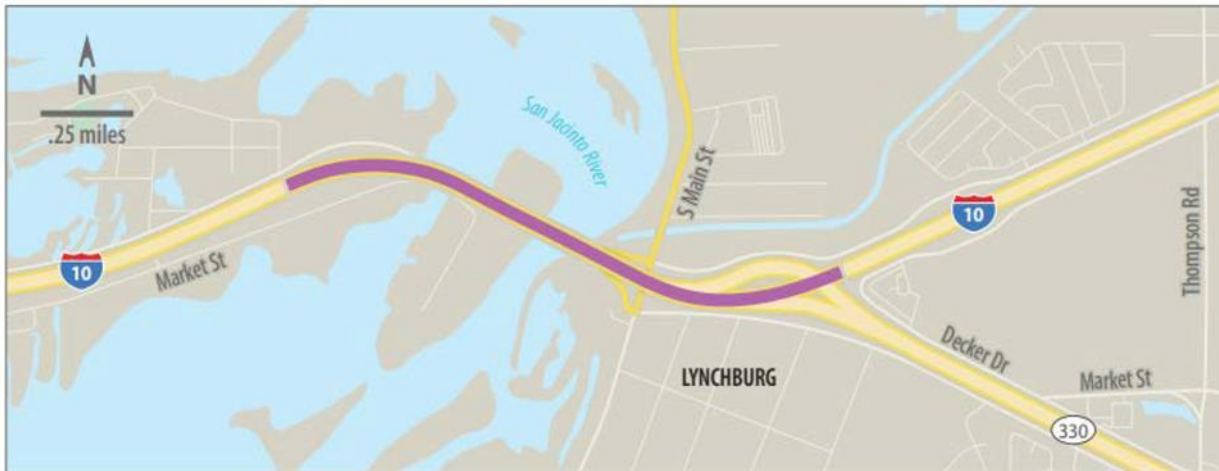
STUDY LENGTH:
30 Miles

COUNTIES:
Harris, Chambers

PLACES:
Baytown
Channelview
Cloverleaf
Highlands
Houston
Jacinto City
Mont Belvieu



I-10 San Jacinto River Bridge



Reconstruct and widen I-10 from Monmouth to Spur 330

PEL Study

I-10 East
Expansion/San
Jacinto River Bridge

SH 225 – I-610 PEL



Study Schedule



Spring 2020

Phase 1

Summer 2021

Phase 2

Summer 2022



PEL Study

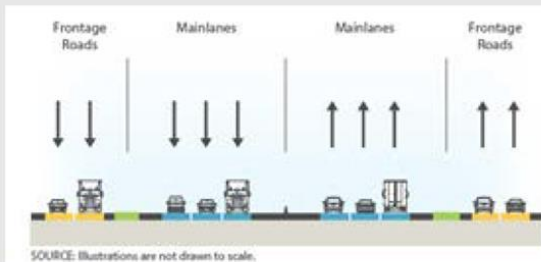
SH 225 - 610
Expansion

State Highway 146

From Fairmont Parkway to Red Bluff

Widen to 6 main lanes

- Environmentally cleared
- Final design underway/anticipated to let in Fall 2022
- The total cost of this project is approximately \$42 million



**Designed & Work
Underway**

146 Expansion &
Widening/Fairmont
to Red Bluff



Designed & Work Underway

Beltway 8 Bridge/
SH 225 Direct
Connectors

Transportation Stakeholder Consensus

Beltway 8 Bridge/SH 225 Direct Connectors Support Letter

5 of 8 Direct Connectors funded - Seeking funding for final 3 Direct Connectors



1/14/2022

J. Bruce Bugg, Jr.
Chairman
Texas Transportation Commission
125 E. 11th St.
Austin, TX 78701

Dear Mr. Bugg:

This correspondence is to highlight the Economic Alliance Houston Port Region support for the funding and construction of all eight direct connectors at the Beltway 8 Bridge/SH 225.

For several years the Economic Alliance has convened a Transportation Infrastructure/Mobility taskforce. The group is a collection of local/state elected officials, port Houston, petrochemical association partners and private sector members. The mission has been to deliver TxDOT and key leadership a prioritized transportation/infrastructure project list based on stakeholder consensus and critical investment need. Project priorities have been based on:


- Impacting safety, mobility efficiency and environmental concerns related to the SH146/SH225/610/110 transportation corridor.
- The need to facilitate economic opportunity through the acknowledgment of Port Houston's unprecedented growth that has made it the nation's busiest port. The port's economic impact supports 1.5 million jobs statewide, over 3 million nationally and is forecasted to continue to grow as it supports the nation's supply chain needs.
- Specific projects that will enhance current/future committed private sector and public transportation mobility investments. Specifically, over the last several years, the Houston port region has seen \$100 billion in manufacturing expansions, Port Houston's \$1.8 billion commitment to widen and deepen the Houston ship channel, and state and local investment to construct the \$2.8 billion bridge and expansion of SH146.

Ultimately, the taskforce is making certain the Houston Port region is connecting mobility/safety/environmental issues, economic opportunity, and unprecedented industry growth with current and future transportation/infrastructure projects.

With the completed expansion of Beltway 8 south of SH 225, and the construction of the Beltway 8 ship channel bridge to the north, it is critical that all eight of the direct connectors joining these two main arteries be constructed. This will address the factors of safety, congestion/riding, increasing traffic counts, support the increasing movement of goods and ensure a complete transportation system for the workers and residents of the Houston Port region.

203 Ivy Avenue, Suite 200 • Deer Park, Texas 77536 • (281) 476-9176

www.allianceportregion.com




To further articulate the need for all the Beltway 8 connectors being completed simultaneously is the fact that 2019 traffic counts indicate over 100,000 vehicles (including trucks) utilize the SH 225/Beltway interchange daily. CRIS Data indicates that the SH225/Beltway 8 interchange is by far the most dangerous intersection along SH 225 with 992 crashes over a 4-year period (15-19).

The Beltway 8 connectors will be a key complement to the already designed/implemented projects and will tie together solutions to address the Houston Port region mobility/safety/environmental issues, economic opportunities, and unprecedented industry growth.

The undersigned regional stakeholders join in strongly supporting the funding and construction of all eight direct connectors simultaneously in association with the Beltway 8 project at SH225.

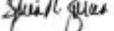
Sincerely,




Chad Burke
President & CEO
Economic Alliance




Brian Balin D.D.S.
District 36
U.S. Congressman



Sylvia Garcia
District 29
U.S. Congresswoman




Roger Guenther
Executive
Port Houston Director



Adrian Garcia
Commissioner
Harris County Pct. 2




Larry Taylor
State Senator
Senate District 11



Mary Ann Perez
State Representative
District 148




Jerry Mouton
Mayor, Deer Park




Brooke Cain
State Representative
District 128



Brandon Capetillo
Mayor, Baytown




Michel Bechtel
Mayor, Morgan's Point




Jeff Wagner
Mayor, Pasadena


203 Ivy Avenue, Suite 200 • Deer Park, Texas 77536 • (281) 476-9176

www.allianceportregion.com







Thom Kulupski
Mayor, Seabrook




Louis Rigby
Mayor, La Porte




Bob Brinkshaw
INEOS Site Manager
BHCMA Director
Co-Chairman
EA Transportation Taskforce




Esmeralda Moya
Mayor, Seena Park




Glenn Royal
Co-Chair
EA Transportation Taskforce



Ana Diaz
Mayor, Jacinto City



Jimmy Bracher
East Harris Co.
Manufacturers Assoc.
Transportation Chair



Amy Skold
Executive Director
Bay Area Transportation

203 Ivy Avenue, Suite 200 • Deer Park, Texas 77536 • (281) 476-9176

www.allianceportregion.com



Public Policy

Public Policy

Convening entity in promoting issues of Houston Port region significance to federal and state legislators.

Goals of the Houston Port region advocacy:

1. Communicate the region's legislative priorities clearly and succinctly
2. Obtain more state/federal funding for local projects
3. Advocate for legislation or policy changes that will benefit the Houston Port region
4. Support our legislators by meeting with their community leaders/constituents to understand projects and issues relevant to the Houston Port region



Public Policy – Federal Advocacy 2022

Public Policy Taskforce compiles a Federal Policy White Paper to allow our members and partners to advocate as one region with one voice.

The **2022 Federal Policy White Paper** centered on:

1. Houston Ship Channel Infrastructure Investment and Widening
2. Community College Federal Priorities for Workforce Opportunities
3. Coastal Barrier - Hurricane Surge Protection
4. Open Competition



Federal Advocacy Trip - 2022

21-person Economic Alliance Leadership Team - 25 meetings over 2-days.

3 – U.S. Senate Meetings

Sen. John Cornyn TX Sen. Ted Cruz TX
Sen. Roger Wicker MS

12 – Congressional Delegation Meetings/Texas

Dan Crenshaw TX-2	Randy Weber TX-14	Sylvia Garcia TX-29	Brian Babin TX-36
Lizzie Fletcher-TX-7	Jody Arrington TX-19	Eddie Bernice Johnson TX 30	
Kevin Brady TX-8	Troy Nehls TX-22	John Carter TX-31	
Michael McCaul TX-10	Michael Cloud TX-27	Collin Allred TX-32	

7 – Congressional Delegation Meetings/U.S.

Kelly Armstrong ND	Bob Gibbs OH	Frank Pallone NJ
Troy Carter LA	Bobby Scott VA	
John Curtis UT	Bruce Westerman AR	

3 – Major U.S. Associations focused on Petrochemical, Manufacturing and Maritime

American Fuel & Petrochemical Manufacturers	National Association of Manufacturers
United States Maritime Administration	

31 – Congressional Dinner Attendees/3 Members of the Texas Congressional Delegation





Workforce Development

Workforce Development

Inspiring & Preparing the Next Generation Workforce

- 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



Since 2016:

- 🎓 400+ Presentations
- 🎓 40,000+ Contacts/Students





Thought Leadership

Events

Events

Provides members and community stakeholders opportunities to network, gain knowledge and engage in information sharing by convening industry leaders.

2021 (Covid Restrictions):

- **7 Events**
- **1,873 Participants**
- **267 Average Attendance**

2022:

- **11 Events**
- **3,700 Participants**
- **335 Average Attendance**



Vehicles

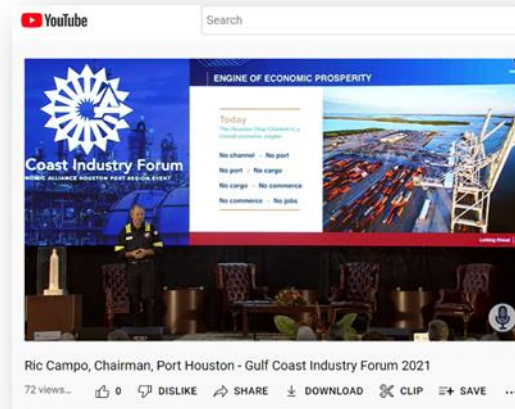
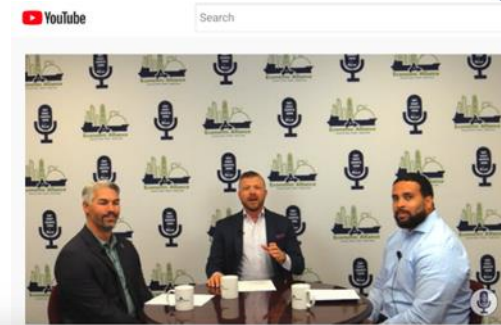
Vital point for knowledge sharing and thought leadership around issues facing industry along the Gulf Coast.

Gulf Coast Growth Show

- Latest news and updates in the petrochemical, manufacturing, transportation, and workforce related industries.
- New episodes weekly

Quarterly Newsletter

- 10,000+ recipients - highlight members, partners, news/events, upcoming classes/workshops, and resources our office/partners provide.

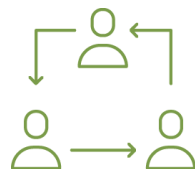


Economic Alliance is a Driving Force

Talented Well-Connected Organization of Members



NETWORK - Providing contacts, resources and solutions to operations in the Houston Port region.



VOICE – Through members a voice with invaluable connections to key decision makers.



VISIBILITY – Most sought-after region in the World for Petrochemical, Manufacturing, Maritime and Logistics operations.



IMPACT – One of the most impactful business organizations in Texas. Economic development, public policy, transportation, workforce development and a lot of initiatives.



INSIGHT – Sharing knowledge/information and convening of industry leaders.



Thank You!

www.allianceportregion.com

Presented By:

Chad Carson

Vice President, Economic Development

Economic Alliance Houston Port Region

carson@allianceportregion.com