



GREATER HOUSTON
PARTNERSHIP

UPDATE



BUILDING ACTIVITY

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February 28, 2019

Construction starts in Houston totaled \$1.6 billion in January, a 2.9 percent decrease from \$1.7 billion in January '18, according to the latest report from Dodge Data & Analytics. Residential construction activity decreased 39.3 percent since last January, while nonresidential activity increased 64.8 percent. Dodge did not report what caused the respective decrease and increase in construction activity.

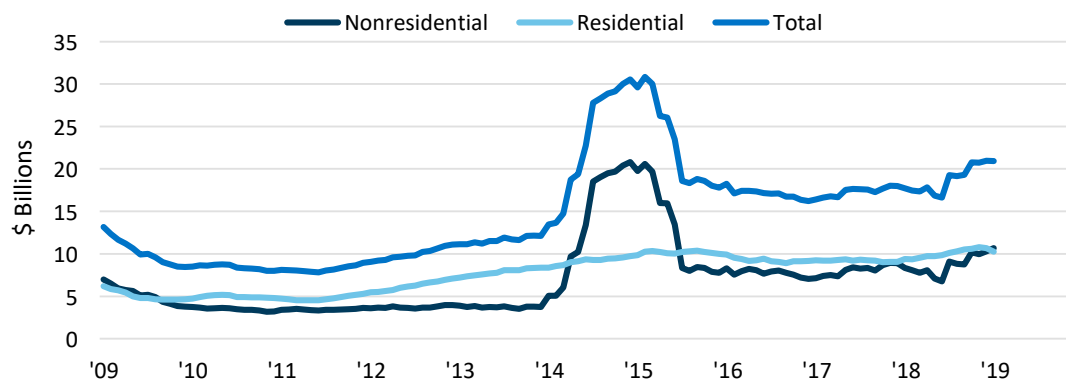
JANUARY CONSTRUCTION STARTS, METRO HOUSTON*			
	\$ Millions		% Change
	'19	'18	
Nonresidential	966.4	586.5	+ 64.8
Residential	659.4	1,087.1	- 39.3
Total Building	1,625.8	1,673.6	- 2.9

* includes Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, San Jacinto and Waller Counties.

Source: Dodge Data & Analytics

For the 12 months ending January '19, construction starts totaled \$21.0 billion, up 18.2 percent from \$17.7 billion in '18. The 12-month total peaked at \$30.9 billion in February '15, the height of the chemical plant construction boom. From January '16 to August '18, the 12-month total has held within a narrow range—\$16.2 billion to \$19.2 billion. However, with the recent uptick in chemical plant construction the 12-month total began to trend up again.

Houston-Area Construction Starts, 12-Month Total



Source: Dodge Data & Analytics

Notable projects that started construction in January '19 include Alta Med Main, the 338-unit apartment project close to TMC's future TMC3 campus. The project features one- and two-bedroom units, a sky

lounge and pet-washing stations, and is scheduled to open by spring '20. The nearly \$10-million tactical training center for the Houston Police Department also broke ground in January. The 44,000-square-foot, two-story facility will offer realistic, scenario-based training and is expected to open in December '19.

Petrochemical plants that are under construction include LyondellBasell's \$2.4 billion propylene oxide/tertiary butyl alcohol plant, the world's largest, projected to be complete by the middle of '21, and JSW's \$500-million steel plant, planned to be complete in March '20.

Prepared by Greater Houston Partnership Research

Patrick Jankowski, CERP
Senior Vice President, Research
713-844-3616
pjankowski@houston.org

Melissa Verhoef, PhD
Analyst, Research
713-844-3653
mverhoef@houston.org