The Greater Houston Partnership is the region’s premier business organization, representing 11 counties and more than 1,050-member companies working together to advance Houston as a great global city. The Partnership is an Accredited Economic Development Organization and a certified World Trade Center.

OUR SERVICES

The Greater Houston Partnership’s economic development and international investment team is a one-stop shop to confidentially assist your business growth and relocation needs. The Partnership works with the region’s top business and civic leaders including more than 35 economic development agencies at the state and local level.

REAL ESTATE
Initiate property searches

SITE TOURS
Coordinate site selection visits and regional briefings

RESEARCH
provide data on key business and site factors

ACCESS
Direct Access to top business and civic leaders

PERMITS
Advocacy for projects and regulatory issues

INCENTIVES
Assist in evaluating and applying for benefits

For more information about Houston’s business climate, or relocating to the region, visit Houston.org

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Data analysis prepared by Greater Houston Partnership Research from a variety of sources.

Data current as of September 2019
Over the last two decades, there has been a remarkable transformation in Houston. Today, the nation’s fourth largest city has become a diverse, vibrant metro filled with talented people who have an undeniable spirit. Our economy is strong, our cultures are many, and our quality of life is second to none.

Houston has one of the youngest, fastest-growing and most diverse populations anywhere in the world. One in four of the region’s 7 million residents is foreign born. From 2010 to 2018, Houston added 1.1 million new residents, an 18.2 percent increase, the fastest rate of population growth among the 10 most populous U.S. Metros.

In addition to our diversity as a community, Houston offers a well-developed suite of key global industries – including energy, life science, manufacturing, logistics and aerospace. As these industries digitize, Houston is a hotbed of rapid technological development thanks to our access to customers and expertise.

A thriving international city, Houston’s ties stretch to all corners of the world. The region’s geographic location makes it easy to move both goods and people around the globe. With one of the largest ports in the country and two international airports, Houston connects companies to the world.

We are unabashedly pro-growth and opportunity-rich, with a distinctly business-friendly environment at both the state and local level. Costs of doing business are significantly lower than in other major metropolitan areas, and the State of Texas has one of the lowest tax burdens in the nation.

Houston offers a low cost of living while maintaining an incredibly high quality of life with world-class culture, sports, and culinary attractions. Houston truly is a great global city.
The Greater Houston region is one of the most dynamic in the country, featuring a variety of distinct and diverse communities to establish your business and call home. From the bustling urban core to master-planned suburban neighborhoods, Houston offers something for everyone.

The Greater Houston Partnership is proud to represent the following 11 counties:

- Austin
- Brazoria
- Chambers
- Galveston
- Harris
- Liberty
- Montgomery
- San Jacinto
- Waller

**Greater Houston Region**

**Population Growth and Top Employers**

<table>
<thead>
<tr>
<th>County</th>
<th>2010 Population</th>
<th>2018 Population</th>
<th>% Growth</th>
<th>Top Employers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Montgomery</td>
<td>455,750</td>
<td>590,925</td>
<td>+29.7%</td>
<td>Anadarko Petroleum Corp., Aon Hewitt, CBM</td>
</tr>
<tr>
<td>Waller</td>
<td>43,277</td>
<td>53,126</td>
<td>+22.8%</td>
<td>Grundfos CBS, Dewberry Farm, Orizon Industries &amp; Spitzer Company</td>
</tr>
<tr>
<td>Austin</td>
<td>2,841,219</td>
<td>2,998,890</td>
<td>+5.6%</td>
<td>International Paper, Seacon Advanced Products, Western International Gas</td>
</tr>
<tr>
<td>Harris</td>
<td>1,409,188</td>
<td>1,658,619</td>
<td>+14.8%</td>
<td>The University of Texas MD Anderson Cancer Center, United Airlines, Memorial Hermann Hospital System</td>
</tr>
<tr>
<td>Fort Bend</td>
<td>1,584,690</td>
<td>1,787,858</td>
<td>+14.7%</td>
<td>Schlumberger Technology Corp, United Parcel Service, Frito-Lay, Inc.</td>
</tr>
<tr>
<td>San Jacinto</td>
<td>26,377</td>
<td>28,719</td>
<td>+8.9%</td>
<td>Coldstream ISD, Shepherd ISD, San Jacinto County</td>
</tr>
<tr>
<td>Liberty</td>
<td>75,641</td>
<td>86,323</td>
<td>+14.1%</td>
<td>Onpoint Industrial Services, Dayton Lease &amp; Pipeline Services, Wal-Mart Stores, Inc.</td>
</tr>
<tr>
<td>Chambers</td>
<td>35,099</td>
<td>42,454</td>
<td>+21.0%</td>
<td>Walmart Distribution, JSW STEEL (USA) Inc, Covestro LLC</td>
</tr>
<tr>
<td>Brazoria</td>
<td>313,123</td>
<td>370,200</td>
<td>+18.2%</td>
<td>The Dow Chemical Company, Freeport Phillips 66, Sweeny Refinery, The Infinity Group</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau
**REGIONAL ECONOMY**

With a regional gross domestic product (GDP) of $490.1 billion, Houston is the nation’s seventh largest metro economy and has grown by $100 billion (inflation-adjusted) over the past decade. If the MSA were an independent nation, it would rank as the world’s 26th largest economy.

Over the past decade, Houston has demonstrated remarkable growth and resilience.

- **1.4 million** new residents
- **500,000+** jobs created
- **$100 billion** increase in GDP

The Perryman Group notes that by the end of the next decade, Houston's:

- population will hit **8.4 million**
- payroll employment will reach **4.0 million**
- GDP will top **$1.0 trillion**

**Houston’s Top Employers**

**More Than 20,000 Employees**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care</td>
<td>Houston Methodist, Memorial Hermann Health System</td>
</tr>
<tr>
<td>Financial Services</td>
<td>Bank of America, Aon</td>
</tr>
<tr>
<td>Energy</td>
<td>ConocoPhillips, ExxonMobil</td>
</tr>
<tr>
<td>Technology</td>
<td>Apple, Google, IBM</td>
</tr>
</tbody>
</table>

**5,000 to 9,999 Employees**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>Kroger, Walmart</td>
</tr>
<tr>
<td>Professional Services</td>
<td>Deloitte, PwC</td>
</tr>
<tr>
<td>Oil &amp; Gas Services</td>
<td>Schlumberger, Halliburton</td>
</tr>
<tr>
<td>Construction</td>
<td>Fluor, Turner Construction</td>
</tr>
</tbody>
</table>

**2,000 to 4,999 Employees**

<table>
<thead>
<tr>
<th>Industry</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>Accenture, IBM</td>
</tr>
<tr>
<td>Retail</td>
<td>Amazon, Best Buy</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>General Electric, Caterpillar</td>
</tr>
</tbody>
</table>

**2017 Gross Domestic Product**

<table>
<thead>
<tr>
<th>Metro Area</th>
<th>$ in Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>1.717.7</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>1.043.7</td>
</tr>
<tr>
<td>Chicago</td>
<td>679.7</td>
</tr>
<tr>
<td>Dallas</td>
<td>535.5</td>
</tr>
<tr>
<td>Washington, D.C.</td>
<td>530.0</td>
</tr>
<tr>
<td>San Francisco</td>
<td>500.7</td>
</tr>
<tr>
<td>HOUSTON</td>
<td>490.1</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>445.5</td>
</tr>
<tr>
<td>Boston</td>
<td>438.7</td>
</tr>
<tr>
<td>Atlanta</td>
<td>385.5</td>
</tr>
</tbody>
</table>

Source: U.S. Bureau of Economic Analysis

**Population and Employment Forecast**

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
<th>Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>2.8</td>
<td>3.4</td>
</tr>
<tr>
<td>25</td>
<td>3.7</td>
<td>7.2</td>
</tr>
<tr>
<td>30</td>
<td>4.1</td>
<td>7.8</td>
</tr>
<tr>
<td>35</td>
<td>4.4</td>
<td>8.5</td>
</tr>
<tr>
<td>40</td>
<td>4.7</td>
<td>9.2</td>
</tr>
<tr>
<td>45</td>
<td>5.0</td>
<td>9.9</td>
</tr>
</tbody>
</table>

Source: 2018 Perryman Economic Forecast, released November 2018

Note: The list excludes government employers (except hospitals, universities and research centers) and fast food chains.
Source: Greater Houston Partnership Research, March 2019
The Houston region continues to be a top destination for businesses looking to expand or relocate operations. Between 2017 and 2019 the region experienced:

- **768** expansion and relocation projects
- **Over $104 billion** in capital expenditure investment
- **71,530** new jobs created

### Select Houston Business Expansions and Relocations

- **Bill.com**, the leader in digital business payments announced its first expansion outside of Silicon Valley with a 25,000 square-foot space in North West Houston, supporting 125 new jobs.

- **MassChallenge**, a global network of zero-equity startup accelerators, launched its newest program in Downtown Houston, supporting up to 25 early-stage startups.

- **Microsoft and Intel** launched a Smart Cities Accelerator to be located in the Ion, in midtown Houston. The first group will host at least 10 companies.

- **Amazon Web Services** opened a 25,000 square-foot tech hub in CityCentre, supporting approximately 150 new jobs.

- **UiPath**, a leading robotic process automation software company headquartered in NYC, expands operations with office in Downtown Houston supporting nearly 100 new jobs.

- **Texas Medical Center** announced the creation of TMC3, a multi-institutional 30-acre research campus which will support 30,000 new jobs.

- **JSW USA** invested $500 million to construct one of the nation’s most technologically advanced, vertically integrated steel mills in Baytown, supporting nearly 1,700 new jobs.

- **SABIC** expanded its North American headquarters in west Houston, supporting over 200 new jobs.

- **Daikin Industries** opened a 4.2 million-square-foot technology center near Waller supporting over 4,000 new jobs.

- **Home Depot** opened an over 770,000 square-foot warehouse facility in northwest Houston, supporting 2,050 new jobs.

- **Lonza Group** opened the world’s largest dedicated cell-and-gene therapy manufacturing facility in Pearland, supporting over 200 new jobs.

- **ExxonMobil** announced plans to invest more than $20 billion over 10 years to build and expand manufacturing facilities in the Gulf region, creating more than 12,000 new jobs.

- **XTO Energy**, ExxonMobil’s shale subsidiary, relocated its headquarters from Fort Worth to Spring, supporting 1,600 new jobs.

- **Dollar Tree** announced a $130 million, 1.2 million square-foot, distribution center in Rosenberg, supporting 300 new jobs.

- **Percepta**, a joint venture between Ford Motor Company and TTEC Holdings, Inc., opened a new 55,000 square-foot contract center in Houston, supporting 500 new jobs.

- **Amazon** opened fulfillment centers in Waller and Harris counties, supporting 3,500 new jobs.

- **Ikea** opened a 1 million-square-foot fulfillment center in Baytown, supporting more than 200 new jobs.

- **UiPath**, a leading robotic process automation software company headquartered in NYC, expands operations with office in Downtown Houston supporting nearly 100 new jobs.

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Houston is a great global city, with ties reaching around the world. The region’s geographic location provides easy global access for both goods and people. From Port Houston and the Houston Airport System to a host of multi-national entities doing business around the clock, Houston is where you want to be to connect your business to the world.

**GLOBAL TRADE**

Houston’s economy is deeply tied to global trade and foreign investment. The region has trading relationships with more than 200 countries and territories. The Houston-Galveston Customs District recorded trade valued of $233 billion in 2018, making it the largest U.S. Customs District based on weight.

10 trade partners were responsible for 51 percent, or $119 billion, of the region’s foreign trade in 2018.

17.3 percent of Houston’s economy was tied to exports in 2017.

**Houston’s Top Ten Trading Partners**

<table>
<thead>
<tr>
<th>Country</th>
<th>Value (in Billions of Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEXICO</td>
<td>24.9</td>
</tr>
<tr>
<td>GERMANY</td>
<td>19.9</td>
</tr>
<tr>
<td>CHINA</td>
<td>12.7</td>
</tr>
<tr>
<td>JAPAN</td>
<td>10.4</td>
</tr>
<tr>
<td>REPUBLIC OF KOREA</td>
<td>9.7</td>
</tr>
<tr>
<td>NETHERLANDS</td>
<td>8.4</td>
</tr>
<tr>
<td>ITALY</td>
<td>7.2</td>
</tr>
<tr>
<td>UNITED KINGDOM</td>
<td>7.4</td>
</tr>
<tr>
<td>BRAZIL</td>
<td>7.2</td>
</tr>
<tr>
<td>UNITED KINGDOM</td>
<td>7.4</td>
</tr>
</tbody>
</table>

Source: WISERTrade - US Census Bureau, Foreign Trade Division. Retrieved August 2019

**SELECTED INTERNATIONAL COMPANIES WITH A PRESENCE IN HOUSTON**

Hundreds of international companies have opened, expanded or relocated to Houston.
Whether by land, air or sea, Houston offers an impressive array of logistical and distribution channels that businesses count on to meet the demands of today’s fast-paced marketplace. With a location that’s equidistant from the East and West coasts, and just hours by air from any metro area in the country, Houston is an ideal hub for companies that need national distribution for their products. Companies that locate in Houston can reach nearly 50 percent of the US population within a 1,000-mile radius.

AIRPORTS

The Houston Airport System ranks as one of the largest multi-airport systems in North America. The system is comprised of George Bush Intercontinental Airport (IAH), William P Hobby Airport (HOU) and Ellington Airport (EFD). Scheduled and charter passenger carriers fly directly to approximately 120 domestic and 70 international destinations from Houston.

RAILROADS

As one of the nation’s busiest rail centers, the Houston region has three class 1 railways with a rail network of more than 800 miles of track and 21 miles of bridges. Fourteen mainline tracks radiate from Houston and approximately 2,200 trains per week travel within the Houston region’s rail network. The widespread coverage of BNSF, KCS and Union Pacific and others connects Houston with all major markets across the county.

HIGHWAYS

Houston’s extensive highway system is well-integrated with the Port of Houston, Houston Intercontinental Airport (IAH), Hobby Airport, Ellington Airport, and the mainline railroads serving the city. Houston is at the crossroads of Interstate Highways 10, 45 and 69. When connections are complete, I-69 will link Canada, the U.S. industrial Midwest, Texas and Mexico. Houston has a “three-loop system” enabling easy connections across the region including Interstate 610, Beltway 8 and Highway 99.

PORTS

Houston was the top U.S. metro exporter in 2018 by weight and is home to a number of ports including the ports of Houston, Galveston, Freeport and Texas City. The Port of Houston is the #1 port in the U.S. in terms of foreign waterborne tonnage and the #1 break bulk port in America. An environmental and security leader, Port Houston was the first U.S. port to achieve both ISO14001 and ISO28000. Port Houston is the largest container port on the Gulf Coast, handling 69 percent of Gulf Coast container traffic in 2018 and ranked the sixth largest U.S. container port by total TEUs in 2018. The region’s ports are investing heavily to increase container and break-bulk cargo capacity.
AMERICA’S MOST DIVERSE CITY

Houston’s international ties are reflected in the very people who call Houston home. In fact, the New York Times and Los Angeles Times have declared Houston “America’s Most Diverse City.” Houston has no racial/ethnic majority and welcomes people from around the world. In terms of racial and ethnic composition, the Houston of today resembles what America will look like in 40 years.

In 2018, the Houston metro area was home to an estimated 1.6 million foreign-born residents. Nearly one-in-four residents in our region are foreign born. These first-generation Americans account for roughly one-third of our population growth over the last decade. Without these foreign-born residents, the region’s GDP would be lower by 29 percent. More than 145 languages are spoken across Houston, and two out of five Houstonians speak a language other than English at home.

1 IN 4 HOUSTONIANS IS FOREIGN-BORN

INCLUSIVITY

Houstonians have a sense of shared community, commitment and mutual respect that many American cities are searching for today. People of all faiths, cultures, background and members of the LGBTQ+ community find Houston to be an inclusive and welcoming city. Houston hosts several cultural festivals and parades including Pride, WorldFest and Greek Festival.

Race/Ethnicity: Houston Now (2018) and the U.S. in 2060

<table>
<thead>
<tr>
<th></th>
<th>Houston MSA, 2018</th>
<th>U.S.A., 2060</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic/Latino</td>
<td>37.6% 35.5% 17.0% 7.8% 2.1%</td>
<td>28.6% 43.6% 13.0% 9.1% 5.7%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau
TALENT

The Houston metro area is the most racially and ethnically diverse region in the United States and the fifth most populous with 7 million people. The Houston metro region offers a large and diverse labor force of more than three million workers, larger than 35 states.

Houston is home to 1.05 million millennials (adults between the ages of 24 and 35). The number of young adults in that age group grew almost 23 percent from 2007 to 2017. Houston’s millennial population continues to grow; the city is among the top 10 in the U.S. for attracting millennials and number one in retaining college graduates.

UNIVERSITIES & COLLEGES

The Houston region has more than 40 two-year community colleges and four-year universities, including three Tier 1 Universities: Rice University, University of Houston and the nearby Texas A&M University in College Station. Houston-area colleges and universities educate nearly 430,000 students and graduate more than 100,000 students annually.

The region also has 50 trade, vocational and business schools specializing in law, healthcare, welding, process technology and various other disciplines that enroll an additional 20,000 students, according to the National Center for Education Statistics.

BUSINESS CLIMATE

Houston offers a competitive business environment at a favorable cost. By many measures, Houston is a tier one city with tier two costs. The city is also unabashedly pro-growth. As a testament to the city’s strong business climate with low costs and low regulations, Houston is one of the top cities in the nation for business relocations and expansions.

REGULATORY ADVANTAGES

The City of Houston has set priorities to support growth and innovation. The city has no local minimum wage, permitting is fast and friendly, and the cost of doing business in Houston is well-below the U.S. major metro average. Additionally, Houston has no personal or corporate income tax.

UNION & LABOR COSTS

Texas is a right-to-work state, ensuring a choice among quality union and non-union skilled labor. Houston boasts one of the lowest unionization rates nationwide with only 2.2 percent of its private workers unionized, significantly lower than the national rate of 6.5 percent.

TAXES

Texas and Houston understand the need for a stable, friendly and transparent tax structure. Texas is one of the few states without a personal, state, or corporate income tax, which makes the cost of doing business very competitive. In 2015, Governor Greg Abbott signed House Bill 32, which permanently reduced the Texas Franchise Tax (Margin Tax) rates by 25 percent. Houston is a cost-effective location for any company looking to establish a presence or expand their current business. Houston’s tax structure makes it a low-cost center for doing business. Plus, the personal tax burden in the Houston area consistently ranks among the lowest in the nation, which makes it an attractive place for people of all backgrounds to live and work.

UTILITIES

The majority of Texas enjoys a deregulated energy market, thus providing electricity customers with a selection of retail electric providers and open market competition. Electric power is distributed across the region by CenterPoint Energy, Entergy Texas and AEP. Each of these PUC-regulated transmission and distribution utilities are the “local wires company” who ensure a high level of performance with minimal business disruptions in their respective geographic markets.
### Office Market Metro Comparison, Q1/2019

<table>
<thead>
<tr>
<th>Metro Market</th>
<th>Average Asking Price ($/sq ft)</th>
<th>Existing Inventory (Sq. Ft.)</th>
<th>Under Construction (Sq. Ft.)</th>
<th>Vacancy Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dallas, TX*</td>
<td>26.47</td>
<td>275,237,365</td>
<td>7,087,779</td>
<td>16.6</td>
</tr>
<tr>
<td>Philadelphia, PA</td>
<td>27.38</td>
<td>153,426,679</td>
<td>1,766,209</td>
<td>12.3</td>
</tr>
<tr>
<td>HOUSTON</td>
<td>30.47</td>
<td>234,333,794</td>
<td>2,504,079</td>
<td>19.5</td>
</tr>
<tr>
<td>Chicago, IL</td>
<td>30.83</td>
<td>305,408,376</td>
<td>5,365,740</td>
<td>14.1</td>
</tr>
<tr>
<td>Boston, MA</td>
<td>34.06</td>
<td>219,103,081</td>
<td>6,363,283</td>
<td>12.5</td>
</tr>
<tr>
<td>Los Angeles, CA</td>
<td>40.82</td>
<td>204,823,100</td>
<td>4,788,300</td>
<td>14.1</td>
</tr>
<tr>
<td>Seattle, WA</td>
<td>41.18</td>
<td>67,352,840</td>
<td>5,395,000</td>
<td>7.5</td>
</tr>
<tr>
<td>Washington, DC</td>
<td>56.88</td>
<td>143,886,840</td>
<td>4,229,553</td>
<td>13.5</td>
</tr>
<tr>
<td>San Francisco, CA</td>
<td>63.29</td>
<td>44,038,623</td>
<td>4,226,782</td>
<td>6.0</td>
</tr>
<tr>
<td>New York, NY</td>
<td>60.85</td>
<td>510,751,725</td>
<td>18,295,243</td>
<td>5.9</td>
</tr>
</tbody>
</table>

* Excludes Ft. Worth
Note: Metro data includes both central business district and suburban office markets.
Source: Colliers International, Q1/2019

---

### Industrial Market Metro Comparison, Q1/2019

**Dallas-Ft. Worth, TX**
- **Office Market**
  - **Vacancy Rate**: 19.5%
  - **Existing Inventory**: 234,333,794 sq ft
  - **Under Construction**: 2,504,079 sq ft
- **Industrial Market**
  - **Vacancy Rate**: 5.9%
  - **Under Construction**: 24,829,883 sq ft
  - **Average Rent**: 4.40$/square foot

**Other Metro Markets**
- **Chicago, IL**
  - **Vacancy Rate**: 6.3%
  - **Average Rent**: n/a
- **Los Angeles, CA**
  - **Vacancy Rate**: 5.0%
  - **Average Rent**: n/a
- **Boston, MA**
  - **Vacancy Rate**: 10.6%
  - **Average Rent**: 8.69$/square foot
- **San Francisco, CA**
  - **Vacancy Rate**: 2.7%
  - **Average Rent**: 11.31$/square foot

Source: Colliers International, Q1/2019

---

### Corporate Real Estate - Office

When it comes to office space, Houston creates significant value and cost savings in contrast with other major metropolitan areas. Houston compares very favorably with other major cities nationally, due to relatively cheaper land prices. In a 2018 study by JLL, Houston was on of the least expensive markets to build out new offices.

- **6th largest office market** in the nation
- **Over 234 million-square-feet** of completed net rentable space
- **$30.47** per square foot average rent
- **Nearly 1,300 general-purpose** office buildings
- **19.5 percent vacancy rate**

---

### Corporate Real Estate - Industrial

Due in part to its large and high-growth population and its central geographic advantages as a hub for the Americas, Houston is a highly competitive city when it comes to industrial space for manufacturing, logistics, and distribution space.

The region has experienced a significant increase in construction of large-scale, industrial properties to accommodate growth of national fulfillment and regional distribution companies such as Amazon, Best Buy, Daikin, Dollar Tree, FedEx, HomeDepot, Ikea, UPS and others.

- **6th largest industrial market** in the nation
- **Over 576 million-square-feet** of net rentable area
- **$7.30 per square foot** average rent for warehouse/distribution
- **Over 14 million-square-feet** of construction projects underway
- **Net absorption for ‘18 was strong with a total of 10.6 msf**

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**U.S. Total/Average**
- **Vacancy Rate**: 6.3%
- **Average Rent**: 4.35$/square foot
- **151,065,210 sq ft** of net rentable area

**Metro Market**
- **Chicago, IL**
  - **Vacancy Rate**: 5.0%
  - **Average Rent**: 4.35$/square foot
  - **1,391,065,210 sq ft**
- **Los Angeles, CA**
  - **Vacancy Rate**: 5.0%
  - **Average Rent**: 4.35$/square foot
  - **898,228,900 sq ft
- **Dallas-Ft. Worth, TX**
  - **Vacancy Rate**: 10.6%
  - **Average Rent**: 8.69$/square foot
  - **847,549,420 sq ft
- **Houston**
  - **Vacancy Rate**: 6.6%
  - **Average Rent**: 7.54$/square foot
  - **576,428,519 sq ft
- **Philadelphia, PA**
  - **Vacancy Rate**: 4.4%
  - **Average Rent**: 9.62$/square foot
  - **367,276,330 sq ft
- **Washington, DC**
  - **Vacancy Rate**: 13.15
  - **Average Rent**: 11.37$/square foot
  - **213,533,254 sq ft
- **Boston, MA**
  - **Vacancy Rate**: 9.62
  - **Average Rent**: 13.15$/square foot
  - **158,598,879 sq ft
- **San Francisco, CA**
  - **Vacancy Rate**: 4.82
  - **Average Rent**: 19.02$/square foot
  - **56,638,030 sq ft
- **Seattle, WA**
  - **Vacancy Rate**: 5.9
  - **Average Rent**: 11.31$/square foot
  - **40,410,065 sq ft
- **New York, NY**
  - **Vacancy Rate**: 19.02
  - **Average Rent**: 19.02$/square foot
  - **n/a sq ft

Source: Colliers International, Q1/2019
Houston is the Energy Capital of the World and the “brain trust” for virtually every segment of the oil and gas industry, including exploration, production, transmission, marketing and supply with a growing focus on renewable forms of energy technology. Houston employs a quarter of the nation’s jobs in oil and gas extraction. The region is home to 4,600 energy-related firms and is at the forefront of foreign investment in energy—particularly in Mexico. Additionally, Houston’s petrochemical sector has experienced record level growth with $50 billion of facility construction recently completed or underway.

Houston's high concentration of energy expertise and experience has brought a large number of relocations to the region.

**ENERGY CAPITAL OF THE WORLD**

- Home to the *fourth* largest number of engineers in the U.S.
- Houston is home to 44 of the nation’s 128 publicly traded oil and gas exploration and production firms, including *eight* of the top 25
- 4,600+ energy-related firms in Houston
- More than 180 pipeline transportation establishments
- More than 600 exploration and production firms and 1,100 oilfield service companies
- Hundreds of manufacturers and wholesalers of energy-sector products

**RENEWABLES**

As the brain trust of the global energy industry, Houston’s ecosystem offers a competitive advantage to energy companies working in solar, wind, biomass and other renewables activities. The region has a growing base of solar energy sources and is home to more than 100 solar-related companies. Texas continues to pave the way by leading the nation in installed wind capacity by state, and Houston is home to some 30 wind-related companies.

**ENERGY TECH**

As Houston continues to leverage its unique strengths with expertise, talent, and ability to scale, the region is creating an environment that naturally fosters emerging digital technology companies and their R&D work.

At least 21 of Houston’s 40 corporate R&D centers are focused on energy technology and innovation. You can find a healthy mix of innovative startups to experienced and evolved tech companies focusing on a range of activity, including blockchain, data analytics and AI. Energy startups represent 15% of Houston’s digital tech startups, employing more than 2,000 tech savvy entrepreneurs and professionals.

**TECHNOLOGY RESEARCH AND DEVELOPMENT**

New energy technologies such as horizontal drilling, hydraulic fracturing and deep-water offshore technology began, or are centered, in Houston.

Houston is home to:

- BP’s Center for High-Performance Computing (world’s largest private super computer)
- Dow Chemical’s Texas Innovation Center
- Chevron Technology Ventures
- Shell Technology Ventures (the first corporate venture fund in the oil and gas industry)
- Aramco Services’ 60,000 square foot R&D center

**PETROCHEMICAL POWERHOUSE**

The Spaghetti Bowl is a complex of several thousand miles of product pipeline connecting hundreds of chemical plants, refineries, salt domes and fractionation plants along the Texas Gulf Coast. It gives the Houston area an economic advantage through convenient and low-cost transfer of feedstocks, fuel and chemical products among plants, storage terminals and transportation facilities.

- More than $50 billion in petrochemical projects recently completed or underway
- 13.8% of the nation’s refining capacity, refining 2.6 million barrels of oil per day
- 36% of the nation’s base petrochemical manufacturing capacity

The Houston metro is home to:

- 85 Petroleum products
- 570 Chemical manufacturing establishments
- 220 Plastic manufacturing establishments

**SELECT ENERGY COMPANIES IN HOUSTON**
As a hub for medical device manufacturing, pharmaceuticals and health research, Houston has more than 1,760 life sciences companies, cutting-edge health care facilities and research institutions. The healthcare and life sciences industries collectively employ 320,500 workers, making these larger than Houston’s energy sector. The region’s growth in employment, high concentration of key scientists, National Institutes of Health (NIH) funding, quality and quantity of educational intuitions, medical research and health services institutions, and concentration of high-tech workers recently landed the region the number two spot in CBRE’s list of emerging life sciences clusters.

THIRD COAST FOR LIFE SCIENCES

In April ‘18, TMC announced the creation of TMC3, a multi-institutional 30-acre research campus that brings together the best institutions in clinical care, research and industry. The campus is projected to be complete in ’22, create nearly 30,000 jobs and bring $5.2 billion to Texas’ economy.

INNOVATION

Venture capital and private equity investment in Houston life science startups totaled $161 million in ’18. Additionally, the TMC Venture Fund aims to invest $25 million in early stage health care tech companies in Houston.

TEXAS MEDICAL CENTER

Houston is home to the largest medical center in the world—Texas Medical Center (TMC). Home to the brightest minds in medicine, TMC nurtures cross-institutional collaboration, creativity and innovation through its 61 member institutions. From some of the world’s leading hospitals to the top research facilities, Houston institutions are making an impact worldwide.

In the field of health and medical technology, the Texas Medical Center’s Innovation Institute coordinates the efforts of several life science-focused incubator and accelerator programs. The organization aims to help startup companies commercialize new medical technologies by providing access to the vast resources of the world’s largest medical center.

RESEARCH

TMC is a top destination in the world for clinical health care and medical research, and the Houston region boasts over 25 research and innovation centers.

- Nearly 1,500 National Institutes of Health (NIH) grants were awarded in the Houston region totaling $670 million in ’18.
- There are nearly 4,200 active clinical trials in the Houston region, 14% of all trials in the U.S.

TALENT

- 10 million patient encounters per year
- 3 billion in construction projects underway
- 8th largest business district in U.S.
- 18,000+ biotech specialists
- 60,000 students study medicine, biotech and healthcare annually
- 25,700 of the world’s top medical researchers in the areas of genomics, clinical research, regenerative medicine, immuno-therapeutics, translational research and health I.T.

TALENT

- 10 million patient encounters per year
- 3 billion in construction projects underway
- 8th largest business district in U.S.
- 18,000+ biotech specialists
- 60,000 students study medicine, biotech and healthcare annually
- 25,700 of the world’s top medical researchers in the areas of genomics, clinical research, regenerative medicine, immuno-therapeutics, translational research and health I.T.

THE FUTURE

- Nationally ranked in 14 specialties
- 9,200 total patient beds
- 106,000+ total employees
- 60,000 students study medicine, biotech and healthcare annually
- 25,700 of the world’s top medical researchers in the areas of genomics, clinical research, regenerative medicine, immuno-therapeutics, translational research and health I.T.

- Nearly 4,200 active clinical trials in the Houston region, 14% of all trials in the U.S.

- Nearly 1,500 National Institutes of Health (NIH) grants were awarded in the Houston region totaling $670 million in ’18.

- 106,000+ total employees
AMERICA'S HEADQUARTERS CITY

Houston is a major corporate center, ranking fourth in the nation in Fortune 500 headquarters and third in Fortune 1000. Many other Fortune firms maintain major offices in Houston. The region is home to six of the 2019 Fortune Global 500 list, and 53 of the 100 largest non-U.S.-based corporations have a presence in Houston.

Houston's success as a top global market for headquarters is driven by its deep talent pool, low cost of living and doing business, an exceptional quality of life, and our unique connectivity to destinations across the country and around the world.

22 Fortune 500 | 47 Fortune 1000 | 6 Fortune Global 500 | 21 Forbes Global 2000 | 118 Inc. 5000

TALENT

Houston has the professional and corporate services talent to support some of the world’s largest companies. The region is home to over 700,000 corporate professionals including administrative, accounting, finance and legal.

Headquarters and Corporate-Related Occupations in the Houston Metro Area

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Employment</th>
<th>($) Average Annual Wage</th>
<th>($) Median Annual Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>146,730</td>
<td>133,380</td>
<td>113,520</td>
</tr>
<tr>
<td>Business and Financial Operations</td>
<td>153,730</td>
<td>84,710</td>
<td>74,560</td>
</tr>
<tr>
<td>Legal</td>
<td>22,710</td>
<td>126,540</td>
<td>99,350</td>
</tr>
<tr>
<td>Office and Administrative Support</td>
<td>467,400</td>
<td>39,440</td>
<td>36,090</td>
</tr>
<tr>
<td>Sales</td>
<td>305,590</td>
<td>44,330</td>
<td>28,730</td>
</tr>
</tbody>
</table>

Source: U.S. Bureau of Labor Statistics, 2018

FORTUNE 500 COMPANIES HEADQUARTERED IN HOUSTON

Source: Fortune, 2019
Houston is one of the most important industrial bases in the world. There are more than 6,400 manufacturers in the region producing more than $80 billion dollars of products annually. The skilled workforce includes nearly 230,000 industrial workers and Houston subsector specialties include fabricated metal, machinery, and chemical manufacturing. Collectively, these subsectors represent 60 percent of Houston’s total manufacturing workforce.

**#3 GLOBAL COMPETITIVE CITY IN MACHINERY AND EQUIPMENT**

A MANUFACTURING POWERHOUSE

Houston has global access to markets thanks to its central location within the U.S and the Americas. Combine that with its world-class infrastructure around two international airports, four seaports, rail, and highways and companies can minimize their transportation and distribution costs in North America and worldwide.

Manufacturing Employment in Houston

<table>
<thead>
<tr>
<th>DURABLE GOODS</th>
<th>NON-DURABLE GOODS</th>
</tr>
</thead>
<tbody>
<tr>
<td>145,000</td>
<td>83,900</td>
</tr>
<tr>
<td>Fabricated Metal Product Manufacturing</td>
<td>Petroleum and Coal Products Manufacturing</td>
</tr>
<tr>
<td>52,500</td>
<td>10,000</td>
</tr>
<tr>
<td>Machinery Manufacturing</td>
<td>Chemical Manufacturing</td>
</tr>
<tr>
<td>45,000</td>
<td>39,500</td>
</tr>
<tr>
<td>Computer and Electronic Product Manufacturing</td>
<td>Other Non-Durable Goods Manufacturing</td>
</tr>
<tr>
<td>13,200</td>
<td>34,400</td>
</tr>
<tr>
<td>Other Durable Goods Manufacturing</td>
<td></td>
</tr>
<tr>
<td>34,300</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL MANUFACTURING** | 229,000

Source: Texas Workforce Commission, Current Employment Statistics, 2018

HOUSTON MANUFACTURING ADVANTAGE

Nearly 1 in 3 manufacturers in Texas calls Houston Home

27 million consumers within 300 miles radius

#2 among U.S. metros for Manufacturing GDP

2928
HOUSTON'S STARTUP ECOSYSTEM

Houston has long been known as a center of corporate and institutional innovation in areas such as energy, aerospace, and life sciences. Houston is home to hundreds of technology and R&D centers, academic research institutes, and civic research centers. Houston's workforce includes 150,000 employed in tech occupations. In recent years, Houston's technical and engineering strengths have given rise to a thriving ecosystem of digital technology companies and life science startups. The region is home to over 8,200 tech-related firms, including more than 500 venture-backed startups. The nonprofit Houston Exponential (HX) was formed in '17 to grow the city's digital startup ecosystem.

FUNDING

Houston companies have received over $1 billion in venture capital funding across 522 deals since '14, according to the funding database PitchBook. Nearly half the funding has been routed to life science and health-related technology companies, an emerging sector in Houston's innovation ecosystem. Through its $25 million HX Venture Fund of Funds, the organization plans to make investments that will foster digital innovation in Houston and bolster the region's tech sector.

TALENT

Houston ranks first among the best cities for young entrepreneurs thanks to a large supply of young talent and strong university systems. The region is home to more than 300,000 educated millennials and 215,000 STEM professionals. The entrepreneurship programs at Rice University and University of Houston are consistently ranked as two of the nation's best, according to the Princeton Review. In addition, Rice University's Business Plan Competition is the richest pitch competition in the country, with awards in '19 totaling $3 million.

With more than 223,000 workers employed in tech, Houston has the 12th largest tech sector in the U.S. with a $1.6 billion impact to the regional economy. Nearly two-thirds of Houston's high-tech workers are employed in industries other than computers and software.

HOUSTON'S INNOVATION CORRIDOR

Houston's Innovation Corridor is at the center of an extraordinarily powerful social and economic convergence. The four-mile-long Corridor is linked by light-rail, bike lanes, and sidewalks and offers easy access to key industry and institutional players along with an unparalleled array of amenities.

Anchored on the south by the world's largest medical complex, the Texas Medical Center, along with top-ranked universities, the Corridor runs north along Houston's light-rail line through the 700-acre Hermann Park, and Museum District. It continues past the eclectic Montrose neighborhood and through Midtown, home to a millennial-friendly mix of housing, dining and recreational options. The Corridor reaches its northern limit in Downtown, the nexus of corporate headquarters, financial institutions and professional service firms, and a wide variety of cultural and recreational amenities.

In '18, Rice University along with a coalition of community leaders announced plans to form an Innovation District at the core of the corridor in Midtown Houston. An anchor coworking space, The Ion, will open in '20 to serve as the central hub of the district. The 270,000-square-foot project will bring together entrepreneurs, corporations and academic institutions to collaborate under one roof.
For more than 50 years, NASA’s Lyndon B. Johnson Space Center (JSC) in Houston has led the United States and the world on a continuing adventure of human exploration, discovery and achievement. JSC’s $1.5 billion complex occupies 1,620 acres southeast of downtown Houston in the Clear Lake area. It now serves as NASA’s lead center for life sciences research and application, astronaut selection and training and mission control. JSC personnel direct industrial efforts to design, develop, build and upgrade piloted space craft and oversee many of the medical, scientific and engineering experiments conducted in space.

As the center has evolved into one of NASA’s largest research and development facilities, the Greater Houston area has developed into an aerospace hub with a record of significant achievement and innovation. Through NASA’s Technology Transfer Program, JSC also works to ensure that innovations developed for exploration and discovery are broadly available to the public through the more than 14,000 free-source patents.

**SPACE CITY**

**TALENT**

The bright minds at JSC have made advances in science, technology, engineering and medicine that enable humankind to explore our world and universe as never before, and to derive unparalleled benefits from that exploration. The thousands of NASA employees and civilian contractors supporting JSC’s operations have created a rich talent pool of aerospace expertise, positioning Houston to be a leader in the emerging commercial space flight industry.

In addition, Rice Space Institute has helped to establish Rice University’s international reputation in all areas of space research by investing in efforts to further the development of new ideas and innovation in the broad area that is space exploration and utilization.

**THE NEXT FRONTIER**

Houston is also home to one of only 10 FAA-licensed commercial spaceports in the nation, and the largest city with such an asset. Located within 18 miles of downtown, the Houston Spaceport is the only truly urban commercial spaceport in the world. Forming a part of the Houston Airport System and situated at Ellington Airport, the Spaceport fits seamlessly into one of the largest international travel infrastructures on the planet. In addition to serving as a future launch and landing site for suborbital, reusable launch vehicles, the Houston Spaceport offers 53,000 square feet of laboratory office space including technology incubator space and large-scale hardware production facilities.

**250+ aerospace and aviation firms**

**$2.0 billion** in aircraft, spacecraft, and parts trade in ’18, ranking as the region’s **14th largest** internationally traded commodity

Of the **50 largest** aerospace manufacturing companies in the U.S., **32** have a presence in Houston

Home to one of only **10 commercial spaceports** in the nation.
LIVE. WORK. PLAY.

The Houston region offers a low cost of living while maintaining an incredibly high quality of life with the amenities you expect to find in a world-class city. Houstonians, no matter what age or background, enjoy countless activities and opportunities. Houston is a welcoming and global city, filled with exceptional dining, arts, hotels, sports and events. In fact, GQ Magazine dubbed Houston the “Capital of Southern Cool.”

COST OF LIVING

Houston’s overall living costs are 26.3 percent below the average of the nation’s 20 most populous metropolitan areas, ranking it the third most affordable, according to the Cost of Living Index from the Council for Community and Economic Research (C2ER). Houston’s overall living costs are 3.8 percent below the average for all U.S. metros.

Texas is one of the few U.S. states that does not have an individual income tax and ranks 8th for lowest individual taxes by CNN Money. In addition, Houston has one of the lowest personal and per-family tax burdens among major U.S. cities.

HOUSTON IS ONE OF THE MOST AFFORDABLE MAJOR CITIES IN THE U.S.

Housing costs in Houston are 46.2 percent below the average for the nation’s 20 most populous metro areas and 3.1 percent below the average for all U.S. metros. Excluding the two most expensive housing markets, New York and San Francisco, which tend to skew the average, Houston’s housing costs are still 35.3 percent below the major metro average.

LIVE. WORK. PLAY.

HOUSTON IS ONE OF THE MOST AFFORDABLE MAJOR CITIES IN THE U.S.

HEALTH CARE

Houston’s Texas Medical Center (TMC) is the world’s largest medical complex by number of hospitals, number of physicians, square footage and patient volume. TMC’s 61 member institutions are consistently recognized by U.S. News and World Report as some of the best hospitals and universities in the nation. Prominent institutions include MD Anderson Cancer Center, Texas Heart Institute and Baylor College of Medicine, among other premier training, research and clinical institutions.

URBAN DEVELOPMENT

Houston large and growing footprint has led to a resurgence in urban living. The city’s signature neighborhoods like Downtown, EaDo, Uptown, Midtown, and Montrose, to name a few, offer residents access to urban living at affordable costs. Projects like the Uptown District, Avenida Houston in Downtown are a few examples of how the city continues to invest in increasingly walkable dining and entertainment districts.

Living Cost Comparison
10 Most Populous U.S. Metros (U.S. Average = 100)

- Houston 96.2
- Dallas 105.4
- Miami 116.2
- Los Angeles 148.2
- Washington, DC 162.6
- Atlanta 101.8
- Philadelphia 113.4
- Chicago 123.2
- Boston 150.0
- New York 248.5

Source: Council for Community and Economic Research, 2018
ARTS & CULTURE
Houston is one of the few cities in the U.S. with resident companies in all four major performing arts—drama, ballet, opera and orchestra. Houston’s world-renowned cultural scene include more than 500 institutions devoted to the performing and visual arts, science and history. The region’s nonprofit arts and culture industry generated over $1.1 billion in total economic activity, according to the ‘17 Arts & Economic Prosperity report by Americans for the Arts.

Houston’s Theater District, located in downtown Houston, spans 17 blocks, and its four flagship theaters house 13,000 seats. The Alley Theatre, Hobby Center for the Performing Arts, Jones Hall and Wortham Theater Center host seven renowned performing arts organizations as well as many smaller programs.

The Houston Museum District is one of the country’s most visited and diverse cultural centers with 19 museums. These museums provide rich experiences in art, history, culture, nature and science. The district is divided in four walkable zones, each of which includes a group of museums. Since 2018, investments in the Houston Museum District, including completed projects and some in progress, total more than $800 million.

OUTDOOR RECREATION
Houston is one of America’s greenest cities. The region boasts 500 miles of interconnected bikeways, 380 developed city parks and 170 open spaces. In fact, Houston is home to two of the nation’s 10 largest urban public parks, Cullen Park and George Bush Park.

Over the past decade, Houston has seen a nationally recognized green space renaissance. Several of the city’s signature parks including Memorial, Hermann, Buffalo Bayou, Levy, and Discovery Green have implemented master plans to further expand their offerings to Houston area residents and visitors. The Memorial Park Master Plan is one of the largest and most visionary urban parks projects currently underway in the U.S.

SHOPPING & ENTERTAINMENT
Houston is a shopping mecca, and home to over 8,000 retail centers. From lavish malls like The Galleria and Memorial City to “storefront neighborhoods” like Post Oak, Highland Village, Uptown Park, River Oaks District, and Rice Village, Houston’s shopping scene is as vibrant and diverse as the city itself.

SPORTS
Houston is a great place to play. You can enjoy countless activities without the premium price of other major cities. From team sports to extreme sports, Houstonians are loyal fans and have that winning spirit. Houston has played host to the nation’s and the world’s largest sporting events like the Super Bowl, NCAA Finals, Major League Baseball All-Star Game, Copa America Centenario, and the NBA All-Star Game. Locally, Houstonians cheer on the ‘17 World Series Champion Astros at Minute Maid Park, the Rockets at Toyota Center, the Texans at NRG Stadium, the Dynamo and the Dash at BBVA Compass Stadium, and the rustlers at the Houston Livestock Show and Rodeo the world’s largest live entertainment and livestock exhibition.

INTERNATIONAL CUISINE
Known as Culinary Capital of the South, Houston delivers on its reputation. Houston restaurants feature outstanding regional dishes as well as diverse international cuisine. With nearly 11,300 restaurants and bars representing over 70 countries and domestic regions, Houston’s global ties are felt across nearly 160 categories of cuisine.

Houston was ranked second on Food & Wine’s “32 Places to Go (And Eat) in 2019.” This ranking is echoed in Yelp’s “Top 100 Places to Eat for 2019,” which includes five greater Houston eateries. “The Best New Restaurants in Texas for 2019” lists six Houston restaurants, of which three are collectively listed as No. 1. The increasing number of food halls in the Houston area is one of the reasons the New York Times included the city on their “52 Places to Go in 2019.”

Houston’s reputation of being a culinary hotspot is recognized by the James Beard Foundation, which announced the finalists of their 2019 James Beard Awards, the “Oscars of the food world” in the city. The greater Houston area received 11 semifinalist nominations for this year’s awards.

PUBLIC TRANSPORTATION
Houston’s mass transit network, METRO, serves an area of 1,303 square miles with 21 transit centers, 8,964 bus stops and 27 Park & Ride lots. Ridership in ’18, including bus, rail and Park & Ride, totaled 85.8 million passengers.

As the city grows, METRO is actively working to improve mobility, enhance connectivity, and support vibrant communities through its METRONext plan.
STATE AND LOCAL INCENTIVES

Houston offers a highly competitive business environment at a favorable cost. The region is a national leader in business relocations and expansions thanks in large part to its pro-growth attitude. A range of local and state incentives are available to qualifying companies to support new, expanding and relocating activities. Most widely used programs are listed first.

STATE INCENTIVES

Texas Enterprise Fund
The Texas Enterprise Fund (TEF), is a performance-based cash grant for qualifying projects that offer significant project job creation and capital investment. A Sales and Use tax refund based on capital investment and new/retained jobs associated with the qualified business site during the designation period. Communities must nominate companies in their jurisdiction for an EZP designation, and projects are awarded by the Governor’s Office during quarterly competitive rounds.

Texas Enterprise Zone Program
A Sales and Use tax refund based on capital investment and new/retained jobs associated with the qualified business site during the designation period. Communities must nominate companies in their jurisdiction for an EZP designation, and projects are awarded by the Governor’s Office during quarterly competitive rounds.

Texas Economic Development Act - Chapter 313
An appraised value limitation agreement in which a taxpayer agrees to build or install property and create jobs in exchange for a limitation on the taxable property value for school district maintenance and operations tax (M&O) purposes and a tax credit. The minimum limitation value varies by school district.

Skills Development Fund
Provides qualified companies with a partnership with local state community colleges and technical schools to provide custom job training for new or existing employees. Average training costs is $1,800 per trainee and administered by the Texas Workforce Commission. Businesses with fewer than 100 employees can also apply for this program through the Skills for Small Business program.

Business Relocation Incentive
A taxable entity may deduct relocation costs incurred from relocating a main office or other principal place of business to the State of Texas from another state or country if the taxable entity did not do business in the State of Texas before relocating.

Economic Development and Diversification Waiver
Allows employees and family members of qualified businesses who have not yet located in Texas to pay in-state tuition fees if the individual files with a Texas institution of higher education.

Manufacturing Sales Tax Exemption
Leased or purchased machinery, equipment, replacement parts, and accessories that are used or consumed in the manufacturing, processing, fabricating, or repairing of tangible personal property for ultimate sale, are exempt from state and local sales and use tax.

Permit Assistance
Assists companies which may experience unwarranted delays in their environmental permitting process for projects that could affect job creation or have a high economic impact.

Research and Development Tax Credit
Provides qualified companies an option for tax savings based on a purchase of equipment or software, R&D expenditures or contracts with higher education institutions performing research.

Sales Tax Exemption for Qualified Data Centers
Texas provides 100 percent exemption on sales tax for computers, equipment, cooling systems, power infrastructure, electricity and fuel for data centers meeting the minimum thresholds of $200 million in capital investment, 20 new jobs and a salary at least 120 percent of the county average salary.

LOCAL INCENTIVES

Chapter 312—Property Tax Abatement
A variety of cities and counties in the Houston region offer tax abatement agreements that exempt part of the increased value in real or personal property from taxation for a period not to exceed 10 years.

Type A & Type B Economic Development Corporations
Municipalities may offer cash awards made possible by local sales and use tax allotments dedicated to economic development (Type A and Type B sales tax). The tax revenues in two forms, the original ‘4A’ tax and the more flexible ‘4B’ tax, are used to finance economic development programs and projects that create primary (or direct) jobs.

Foreign Trade Zones (FTZs)
Allow companies dealing in foreign trade to delay payment of U.S. Custom’s import duties until their goods and merchandise actually enter U.S. commerce. Goods can be brought into Foreign Trade Zones (FTZ) without formal U.S. Customs entry or without incurring U.S. Customs duties or excise taxes unless and until they are imported into the United States. Ad valorem taxes on inventory may be exempt in some zones, upon approval of the FTZ sponsor.

Sales Tax Exemption on Utilities
Natural Gas & Electricity Texas companies are exempt from paying state and local sales and use tax on electricity and natural gas used in manufacturing, processing, or fabricating tangible personal property.

Texas Capital Fund
Administered by the Department of Agriculture, the Texas Capital Fund provides financial resources to non-entitlement communities that can be utilized for public infrastructure or real estate development needed to assist a business that commits to create and/or retain permanent jobs.

On-the-Job Training
Offers participants an opportunity to earn as they learn, while employers benefit from a partial wage reimbursement during the training period. Focuses on jobs that involve new technologies, production, service or additional skills for full-time positions (30 hours per week is considered full-time) paying at least $12.00 per hour or more.

Event Trust Funds
Assists Texas communities with paying costs related to preparing for or conducting an event by depositing projected gains in various local and state taxes generated from the event in a dedicated event-specific trust fund to cover allowable expenses. The event must occur in a Texas municipality or county that was selected by a site selection committee which considered other out-of-state locations.

Texas Manufacturing Assistance Center (TMAC)
Designed to help Texas small manufacturing companies remain competitive in the ever-changing global marketplace. The TMAC center provides technical assistance at a discounted rate for process improvements, environmental regulations upgrades, changes in the technology and the marketplace.

Chapter 380/381—Economic Development Agreements
These discretionary incentives typically take the form of property tax abatements, loans or grants, commitments for infrastructure, or payments of portions of the sales tax generated by the project. Negotiations on these incentives between the local jurisdiction and the developer occur on a case by case basis. The Chapter 380 is targeted specifically for use by cities while Chapter 381 is specifically for use by county governments. These agreements can be used in tandem for the same project. are awarded by the Governor’s Office during quarterly competitive rounds.

Freeport Tax Exemption
Exempts ad valorem property taxes for any inventory exported outside the state within 175 days. Freeport property includes goods, wares, merchandise, ores and certain aircraft and aircraft parts in jurisdictions who opt-in.

STATE INCENTIVES

Business Relocation Incentive
A taxable entity may deduct relocation costs incurred from relocating a main office or other principal place of business to the State of Texas from another state or country if the taxable entity did not do business in the State of Texas before relocating.

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Research and Development Tax Credit
Provides qualified companies an option for tax savings based on a purchase of equipment or software, R&D expenditures or contracts with higher education institutions performing research.

Sales Tax Exemption for Qualified Data Centers
Texas provides 100 percent exemption on sales tax for computers, equipment, cooling systems, power infrastructure, electricity and fuel for data centers meeting the minimum thresholds of $200 million in capital investment, 20 new jobs and a salary at least 120 percent of the county average salary.

STATE INCENTIVES

Texas Enterprise Fund
The Texas Enterprise Fund (TEF), is a performance-based cash grant for qualifying projects that offer significant project job creation and capital investment. A Sales and Use tax refund based on capital investment and new/retained jobs associated with the qualified business site during the designation period. Communities must nominate companies in their jurisdiction for an EZP designation, and projects are awarded by the Governor’s Office during quarterly competitive rounds.

Texas Enterprise Zone Program
A Sales and Use tax refund based on capital investment and new/retained jobs associated with the qualified business site during the designation period. Communities must nominate companies in their jurisdiction for an EZP designation, and projects are awarded by the Governor’s Office during quarterly competitive rounds.

Texas Economic Development Act - Chapter 313
An appraised value limitation agreement in which a taxpayer agrees to build or install property and create jobs in exchange for a limitation on the taxable property value for school district maintenance and operations tax (M&O) purposes and a tax credit. The minimum limitation value varies by school district.

Skills Development Fund
Provides qualified companies with a partnership with local state community colleges and technical schools to provide custom job training for new or existing employees. Average training costs is $1,800 per trainee and administered by the Texas Workforce Commission. Businesses with fewer than 100 employees can also apply for this program through the Skills for Small Business program.

Business Relocation Incentive
A taxable entity may deduct relocation costs incurred from relocating a main office or other principal place of business to the State of Texas from another state or country if the taxable entity did not do business in the State of Texas before relocating.

Economic Development and Diversification Waiver
Allows employees and family members of qualified businesses who have not yet located in Texas to pay in-state tuition fees if the individual files with a Texas institution of higher education.

Manufacturing Sales Tax Exemption
Leased or purchased machinery, equipment, replacement parts, and accessories that are used or consumed in the manufacturing, processing, fabricating, or repairing of tangible personal property for ultimate sale, are exempt from state and local sales and use tax.

Permit Assistance
Assists companies which may experience unwarranted delays in their environmental permitting process for projects that could affect job creation or have a high economic impact.

Research and Development Tax Credit
Provides qualified companies an option for tax savings based on a purchase of equipment or software, R&D expenditures or contracts with higher education institutions performing research.

Sales Tax Exemption for Qualified Data Centers
Texas provides 100 percent exemption on sales tax for computers, equipment, cooling systems, power infrastructure, electricity and fuel for data centers meeting the minimum thresholds of $200 million in capital investment, 20 new jobs and a salary at least 120 percent of the county average salary.
Goods-in-Transit Exemption
A small number of taxing entities in Texas have adopted the Goods-in-Transit direct or indirect ownership interest in the inventory. To be eligible, the inventory must be transported to another location, inside or outside the state, within 175 days after the items were acquired or imported into the state.

Pollution Control Property Tax Abatement
Ad Valorem Property Tax Abatements are available to companies with facilities, devices and equipment used to control air, water or land pollution.

Property Assessed Clean Energy (PACE)
Provides low-cost, long-term financing for water and energy efficiency and conservation improvements to commercial and industrial properties.

Renewables Franchise Tax Deduction
Companies solely engaged in manufacturing, selling, or installing solar or wind devices are exempt from the Texas franchise tax. Other businesses that install solar or wind energy systems are eligible for a franchise tax deduction.

Renewables Property Tax Exemption
Residential, commercial, and industrial renewable energy devices are exempt from property tax under Texas law. This exemption is applicable to most renewable technologies, including solar, wind and biomass.

Opportunity Zones
An Opportunity Zone is a low-income census tract, as determined within New Markets Tax Credits legislation, that was designated by the governor of the state or territory in which the zone is located. These zones are typically in an economically distressed community where new investments may be eligible for preferential tax treatment.

Talent Recruitment and Employer Services
Workforce Solutions offers recruiting, training and retraining, outplacement services, assistance recruiting and retaining qualified employees, and valuable information on employment law and labor market trends and statistics.

ECONOMIC DEVELOPMENT ORGANIZATIONS IN THE 11 COUNTY REGION
Bay Area Houston Economic Partnership
www.bayareaohc.com
Baytown/West Chambers County Economic Development Foundation
www.baytownedf.org
BNSF
www.bnsf.com
Brookshire Economic Development Corp.
www.brookshiredietexas.org
CenterPoint Energy
www.CenterPointEnergy.com
Central Houston
www.centralhouston.org
City of Alvin
www.alvin-tx.us
City of Deer Park
www.deerparktx.gov
City of Friendswood
www.ci.friendswood.tx.us
City of Fullshear
www.fullsheatexas.gov
City of Hitchcock
www.cityofhitchcock.org
City of Houston
www.houstontx.gov
City of Huntsville
www.huntsville.tx.gov
City of Kemah
www.kemah-tx.gov
City of La Porte
www laportetx.gov
City of League City
www.leaguecity.com
City of Meadows Place
www.cityofmeadowsplace.org
City of Missouri City
www.missouricitytx.gov
City of Mont Belvieu
www.montbelvieu.net
City of Pasadena
www.ci.pasadena.tx.us
City of Rosenberg
www.rosenbergtxecom
City of Santa Fe
www.ci santa-fe tx.us
City of Seabrook
www.seabrooktx.com
City of Sugar Land
www.sugarlandtx.gov
City of Texas City
www.texas-city-tx.org
City of Webster
www.cityofwebster.com
City of Willis
www.ci.willis.tx.us
City Development Corporation of El Campo
www.elcampojc.org
Cy-Fair Houston Chamber of Commerce
www.cyfairchamber.com
Dayton Community Development Corp.
www.dayton.tx.retail360.us
Development Corporation of Richmond
www.richmond-tx.gov
East Montgomery County Improvement District
www.emicta.com
Economic Alliance Houston Port Region
www.allianceeportregion.com
The Economic Development Alliance for Brazoria County
www.eda-bc.com
Energy Corridor Management District
www.energycorridor.com
Entergy Texas
www.entropy-texas.com
Fort Bend County
www.fortbendcountytx.gov
Galveston County Economic Alliance
www.gcea.us
Galveston Economic Development Partnership
www.gedp.org
Greater Conroe Economic Development Council
www.gcedc.org
Greater East End Management District
www.greenend.org
Greater Houston Partnership
www.houston.org
Greater Northside Management District
www.gnmd.org
Greater Southside Management District
www.gsmd.org
Greater West Houston Partnership
www.gwhp.org
Greater Woodlands Economic Development District
www.govedd.com
Greater Conroe Economic Development District
www.gcedc.org
Greater Katy Economic Development District
www.gkedc.org
Greater Springwood Economic Development District
www.gsedc.org
Greater Springwood Economic Development District
www.gsedc.org
Hamilton County
http://budget.hamiltoncountyoh.gov
Houston Hispanic Chamber of Commerce
www.hhcc.org
Houston Intercontinental Chamber of Commerce
www.hiccc.org
Katy Area Economic Development Council
www.kalyedc.org
Kemah Area Economic Development District
www.kemd.com
Kemah Port of Houston
www.kemahport.org
Lake Houston Economic Development Corporation
www.lakedevelopment.org
La Marque Economic Development Corporation
www.lmedc.com
The Lone Star College System
www.lonestar.edu
Montgomery Economic Development Corporation
www.montgomerytx.gov
North Houston Association
www.north-houston.com
North Houston District
www.northhouston.org
Oak Ridge North Economic Development Corporation
www.orndc.net
PEARL Economic Development Corporation
www.pearlandedc.com
Port of Houston
www.portofhouston.com
Port Houston
www.porthouston.com
The Port of Texas City
http://ptc7.com
San Jacinto College District
www.sanjac.edu
Seacliff Economic Development Corporation
www.sealyledc.com
Tomball Economic Development Corporation
www.tomballcedc.com
Union Pacific Railroad Company
www.up.com
Uptown Houston District
www.uptownhouston.com
Waller County Economic Development Partnership
www.wcedp.org
Waller Economic Development Corporation
www.wellesd.org
West Houston Association
www.westhouston.org
Westchase District
www.westchasedistrict.com
Wharton County
www.whartoncedc.com
The Woodlands Area Economic Development Partnership
www.edppartnership.net