In accordance with the contract dated February 13, 2012, the Baytown-West Chambers County Economic Development Foundation (EDF) submits this quarterly report for the period January 1, 2012 through March 31, 2012 and warrants that City of Baytown Municipal Development District funds have been utilized exclusively in efforts to create and preserve primary jobs.

Primary Activities – Economic Development

During this reporting period, the EDF continued its efforts in this primary activity. Specifically:

**Prospect Responses:** Staff responded to prospect RFI’s and/or provided information and assistance to 48 prospects interested in locating in the Baytown-West Chambers County service area. Assistance included, but was not limited to: site and infrastructure availability, identification and explication of incentive programs, filing procedures, and state and local permitting.  

**Site Visits:**

<table>
<thead>
<tr>
<th>Prospect Name</th>
<th>Industry Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Delta</td>
<td>Steel Pipe</td>
</tr>
<tr>
<td>Project Pioneer 600</td>
<td>Heavy Fabrication (Metal)</td>
</tr>
<tr>
<td>Project Hot Iron</td>
<td>HIB Steel / Pipe</td>
</tr>
<tr>
<td>Project Niagara</td>
<td>Manufacturing / Bottling</td>
</tr>
<tr>
<td>Project Mitas</td>
<td>Heavy Fabrication (Metal)</td>
</tr>
<tr>
<td>Project CD</td>
<td>Manufacturing</td>
</tr>
<tr>
<td>Project Metal Forge</td>
<td>Heavy Fabrication (Metal)</td>
</tr>
<tr>
<td>Project Cosmos</td>
<td>Steel Pipe</td>
</tr>
<tr>
<td>Project Danno</td>
<td>Petrochemicals</td>
</tr>
<tr>
<td>Project Jet</td>
<td>Advanced Building Materials</td>
</tr>
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</table>

A critical component of the City of Baytown’s economic development strategy is retail development and infill revitalization. **Activities undertaken:**


*Continued on next page*
Primary Activities – Economic Development, Continued

Stimulate, Encourage, Market, & Develop Business & Commercial Activity (Continued)

**Incubator Without Walls:** The EDF continued to undertake initiatives designed to expand the economic base in the Baytown service area. An integrated approach referred to as an “incubator without walls” provides a number of business assistance programs, namely Entrepreneur Development, Small Business Financing and Business Education.

- **Entrepreneur Development Initiative (EDI):** The EDF continues its efforts to engender entrepreneurial growth through collaborative efforts, specifically:
  1. 2 Lee College SBDC referrals
  2. 3 GCEDD EDA RLF referrals
  3. 3 USDA Business & Industry Development referrals

- **TMAC:** Continued collaboration with the Texas Manufacturing Assistance Center (TMAC) to promote assistance programs in the region.

- **Texas Engineering Extension Service (TEEX):** Continued relationship with TEEX to provide business development services in the EDF service area.

- **ACCIION – Texas:** Continued formal relationship with ACCION - Texas to expand small business/entrepreneurship development and lending.

- **GS 10,000:** Continued development relationship with the Goldman Sachs 10,000 Small Businesses Initiative sponsored by Houston Community College. Program featured at Baytown Rotary Club luncheon on 2/15/12

**Development/Redevelopment:** The EDF continued its efforts to support development and redevelopment in the Baytown – West Chambers County service area:

- Participated in H-GAC Sustainability Forum on 3/7/12.

- Continued work with City of Baytown to implement strategy to actualize idle properties. Continued collaboration with the City of Baytown to implement a Baytown Housing strategy focused on developing high-end housing.

- Held meetings with Cedar Crossing, LP, Hopper Development, Sowell & Co., Stewart Properties, Wells Holdings, Majestic Realty, Parkside Capital, Thompson 10, and Javelin Realty regarding various development plans in the Baytown-West Chambers County area.

- Continued efforts to enhance cellular phone and GPS service to industry in and around the Baytown-West Chambers County service area.

Continued on next page
Public Policy Formulation: Coincident with efforts to expand regional inter-modal capacity, provide continuity for the local petrochemical and refining cluster and grow the local economy, the EDF has undertaken the following:

1. Port Region Transportation Corridor Taskforce: EDF continues to provide support to the Taskforce’s mission to facilitate transportation infrastructure enhancement in the PHA region so as to better accommodate increased truck traffic and alleviate associated congestion.

2. Cedar Bayou Inter-Modal Transportation: The EDF continues its efforts to facilitate, coordinate and mediate agreements between governmental principals and private sector entities pursuing inter-modal projects along Cedar Bayou. Facilitated meetings related to a Marine Highway connector on 1/30/12, 2/15/12 and 2/23/12. Initiated related Chambers County sponsor proposal / application process with MARAD.

3. Environmental Strategy: The EDF continues to deploy its environmental strategy to ensure sustainability of the existing industry and catalyze economic diversification.

4. Gulf Coast Rail District (GCRD): Continued liaison with the GCRD, related to rail connectivity in the EDF service area.

Workforce Development and Education are critical components of economic development. As such, the EDF continued its efforts to enhance the area’s capacity to train, educate, develop and deploy the labor force:

Sponsored the Economic Development HR Network (EDHRN): The aim of the network is to continuously understand & improve site selection responses, workforce development & mobilization systemically. EDHRN members routinely provide HR-related information to site selection consultants.

EDHRN members participated in site selection interviews for Projects Pioneer 600 and Metal Forge. Provided research for labor analysis being conducted by EDHRN members.

Collaboration with Workforce Development Allies: A viable workforce development strategy requires a strong partnership of employers, economic development organizations, workforce organizations, educational institutions, philanthropic organizations, government and non-governmental entities. Consistent with this, the EDF participated / supported the following activities focused on the continued growth and development of our regional workforce:

Continued on next page
Primary Activities – Economic Development, Continued

Workforce Development & Analysis (Continued)

- EDF staff continues to serve in advisory capacity for the GCCISD Career & Technical Education Program Development Steering Committee. Attended meetings on 1/24/12, 3/6/12 and 3/7/12.

- EDF staff continues to serve in advisory capacity for the Gulf Coast Petrochemical Information Network (GC-PIN).

- Participated in Lee College’s Achieve the Dream (ATD) planning meetings on 2/13/12 & 2/23/12. Attended Hispanic Leaders ATD Community Conversation event on 2/12/12.

- Continued liaison with the Lee College Education Opportunity Center (EOC). EDF staff serves as an advisory committee member. The EOC provides counseling to qualified adults who want to enter or continue a program of post-secondary education or complete a GED. Provided demographic research support for EOC grant application.

- Provided continued research & development assistance to the United Way of Baytown’s Early Childhood Education IMPACT effort. The initiative seeks to improve school readiness systemically at the Pre-K level in the GCCISD & BHISD. Provided project update to EDF Board on 3/26/12.

Facilitate Tax Abatement & Incentive Programs

EDF conducted the following activities related to Incentive Programs:

- Provided tax abatement / incentives assistance to: Samson Controls, Chevron-Phillips, FlexSteel, Bayer Material Science, AmeriPort LLC and Enterprise Products LLC and Project Pioneer 600.

- Provided City of Baytown, Harris County, Chambers County, and State of Texas incentive information with prospect lead responses.

Conduct Educational Seminars, Lectures, Public Hearings

1/31/12: Presented an overview of economic development strategies during the City of Baytown City Council Retreat. The workshop featured an update on housing and retail development, along with a preview of economic development plans for 2012.

3/05/12: Participated in panel discussion titled “Incentives - Theory & Practice” at the Community Development Institute, Lone Star College.

### Primary Activities – Economic Development, Continued

<table>
<thead>
<tr>
<th>Support the Creation and Expansion of Local Foreign Trade Zones</th>
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<tbody>
<tr>
<td>EDF conducted the following activities related to Foreign Trade Zones (FTZ):</td>
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<tr>
<td>□ Continued support for the Majestic Realty and AmeriPort Industrial Park FTZ application process.</td>
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<tr>
<th>Compilation &amp; Dissemination of Economic &amp; Business-Related Data</th>
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<tr>
<td>The Economic Development Foundation maintains and catalogues the various socio-economic studies relative to the Baytown area performed by different entities to reduce duplication and confounding of effort. The EDF acts as a clearinghouse for statistical, economic, government, education, and labor/workforce information and continues to update economic and population benchmarks by which to judge changes in our service area, including: monthly reports on sites/buildings, housing/construction, employment and sales tax collections; comparative tax studies.</td>
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</tbody>
</table>

The EDF continues to compile data for its statistical clearinghouse in the following categories:

1. Texas and local unemployment rates, employment structure and labor force statistics.

2. Tax rates for City of Baytown, Harris County, Chambers County, Goose Creek Schools, and Lee College.

3. Customized demographics analyses via Sites on Texas, Texas EDGE and other platforms.

4. Regional metrics from the Gulf Coast Economic Development District (GCEDD), an organization sponsored by the HGAC.
Interaction and Support of Officials, EDO’s, and Chambers of Commerce

**Coordination with Regional Allies:** During this reporting period, the Economic Development Foundation continued its partnerships with neighboring economic development organizations and regional allies:

- Participated in Gulf Coast Economic Development District (GCEDD) meetings on 1/13/12, 2/14/12 and 3/13/12.

- Attended the Retail Industry Leaders Association (RILA) Logistics Conference with PHA & GHP representatives, 2/19 – 2/22/12 in Grapevine, TX. Conducted RILA & trade development after-action review with PHA on 3/21/12.

- Held planning meetings with Harris County Transit & Community Development Services representatives regarding transit and housing development projects.

- Held meetings, attended allies meetings and coordinated projects with City of Baytown, H-GAC, Harris County Community & Economic Development Department, Chambers County, the Greater Houston Partnership, Bay Area Houston Partnership, Gulf Coast Economic Development District, CenterPoint Energy, Port of Houston Authority and the Economic Alliance - Port Region.

**Collaboration with Site Selection Consultants and Academia:**

The EDF continued its liaison with WCL Consulting, CenterPoint Energy and site selection consulting firms to explore research, knowledge building and benchmarking opportunities.

During this reporting period, the EDF promoted Baytown and its vicinity by participating in the following activities:

- EDF staff serves on the Lee College Performing Arts Advisory Board. The Lee College Performing Arts Center is located in the Baytown Downtown Arts, Culture & Entertainment Overlay District and will be programmed to facilitate economic development. Attended meeting on 1/26/12.

- Bayou Bowl High School All-star Football Game and Golf Tournament: The EDF continues its development support for the 2012 Bayou Bowl.

- Staff continued to provide regional quality of life information with prospect RFI responses.

*Continued on next page*
During this reporting period, the EDF worked closely with the Governor’s office (EDT) to coordinate site selection visits, incentive applications and prospect lead responses.