

A Letter from the CEO...

Dear Citizens of Port Arthur,

I am excited about the progress the EDC Board of Directors has made throughout our great city, a remarkable transformation that is attracting attention from across the country.

With a rich history, a tradition of innovation, culturally and ethnically diverse citizenry, Port Arthur possesses tremendous resources that have helped our city to achieve fiscal stability, economic investment, job growth and a positive environment that is attracting new families and investors to Port Arthur.

Since 2006 the Board of Directors have worked hard to set a solid foundation and have remained steadfast in our determination to move progressively toward a better future.

Port Arthur continues to experience a surge of economic development activity; The continuing expansion of our Petro Chemical Industry, Lamar State College – Port Arthur, the location of PURE Renewables Inc., which will create up to 400 new textile jobs in the Downtown area, the expansion of the Port of Port Arthur, Port Arthur ISD educational system, which continues to expand our public school system with the passing of its recent bond investment that will provide Port Arthur students with some of the best learning facilities in the nation.

It's time to build a better Port Arthur by having a well-managed Board of Directors, fostering comprehensive economic development, sustainable neighborhoods, communities and strengthening and investing in our infrastructure; our city is poised for greatness. We will continue to build on the historical significance that we hold, as well as the creative and innovative path that we've laid out for the future.

Since taking this position ten years ago, one of my highest priorities has been and continues to be intentional and aggressive economic development efforts. Economic development is essential to Port Arthur's vitality, well-being, and future. My Board's approach is comprehensive but focused, with efforts directed at attracting and retaining quality businesses and industry to our city and generating new jobs. In addition, we are focusing our attention on our neighborhoods, which is home not only to residents, but locally owned small businesses that generate the most job creation and sustain our families.

Economic and community development, tied together are two essential components of any community's long term success. To ensure a sound quality of life for our local residents, the board is aggressively pursuing a set of programs that capitalizes on the city's competitive advantages to create and retain jobs, stimulate investment in neighborhoods and local businesses, and generate the revenue necessary to fund vital municipal services. In its effort to fulfill these goals the board is making Port Arthur a Tier One City, we have embraced economic development as a core foundational service. The overarching goals the PAEDC Board of Directors have for this area are as follows:

1. Encourage long term growth and development of Port Arthur's job base and labor force
2. Cultivate a sustainable and diversified local economic base that:
 - a. Gives access to opportunity for all Port Arthur residents.
 - b. Fosters viable mixed income residential neighborhoods.
 - c. Develops and supports Port Arthur's tax revenue base; and
 - d. Maximizes the city's assets and advantages without compromising the health of neighborhoods and residents.

Sincerely,



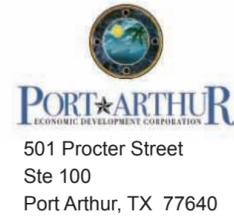
Floyd Batiste, CEcD
PAEDC, CEO

PAEDC Mission Statement

The mission of the PAEDC is to implement a proactive, aggressive industrial recruitment process focused upon specific industrial clusters that can achieve world-class competitive stature in Port Arthur.

The Port Arthur Economic Development Corporation is a 4a sales tax corporation created to enhance Port Arthur's business climate and overall economic development. The PAEDC is responsible for encouraging and developing business growth and attracting new business to Port Arthur. Our 300-acre business park is especially beneficial to business in the areas of manufacturing, light industrial and commercial development.

Port Arthur is ready to help you work, grow and play. Call us today to find out how we can help you realize better working conditions, higher profits and happier employees. With a mild climate and a supercharged business atmosphere, Port Arthur can help you attain your goals. From economic incentives to old-fashioned work ethics, the employees and board of directors of the Port Arthur Economic Development Corporation will make every effort to make your business grow.



The PAEDC Board of Directors



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Board President



Eli Roberts
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PORT ARTHUR

ECONOMIC DEVELOPMENT CORPORATION

Summer 2016, Vol 5

“Build It, Ship It, Rail It in Port Arthur.”







New and past newsletters on our website at www.paedc.org

Port Arthur's Downtown Investment

How will it impact PA's Economy?

Pure Renewables Port Arthur, LLC management team is proud to call Port Arthur, Texas its home! The Management Executives of Pure gathered recently in New York City for a meet and greet with its team of investment bankers, which included Ziegler, led by Miyun Cho Fellerhoff; Blaylock, Van and Beal, led by Alan Jones; as well as financial advisers led by Todd Journ and John Thomas. The EPC contractor selected to perform the construction for the \$350 million Pure Port Arthur project is AllCo, who was represented by Tom Harrison at the event. Pure Renewables will bring state-of-the-art sustainable textiles manufacturing to the city of Port Arthur and many Fortune 50-500 companies have positioned themselves alongside Pure to develop innovative, sustainable products from Pure's Port Arthur facility. With strategic port and rail accessibility, Pure is eager to become established in Port Arthur and is excited to bring with it enormous development opportunity for the community. Lamar University has teamed with Pure to establish ongoing training programs designed to educate prospective employees desiring to fill positions with the company.



Pure Renewables CEO, K. Joy Nunn, remarked, "I want the community to begin to realize the tremendous opportunities Pure brings to the Port Arthur area, and to take full advantage of them." The company will need to fill an estimated three hundred employment positions locally, which will in turn provide burgeoning growth for new industries created to service the venture, as well as established ones. Pure is a global company and will attract clients, suppliers and partners which creates an immediate demand on the service industry of the Greater Port Arthur area.

Construction is slated to begin in late May and the Port of Port Arthur estimates it will be processing approximately 12,000 containers annually during Phase One of the Pure project. "This is exciting for all of us," Nunn mused, "we are thrilled to be here and excited to collaborate with all of the people who will be involved in the Pure Port Arthur project. Let's lock arms and work together to make this successful!"

Pure Renewables is expected to create 600 direct jobs and pump millions in capital investment into our local economy. It is kind of hard to quantify what the impact is going to be but if we are looking at millions worth of infrastructure investment by the company, the hundreds of jobs that will be created, all the spinoff activities, it certainly will change the economic and educational landscape of Port Arthur forever.

Pure Renewables is going to increase what Port Arthur Economic Development Corporation Board of Directors have been promoting all along. That Port Arthur is the area to be in. That Port Arthur is the front door to the United States, not the back door and it is just amazing what this community can do when it works together for one common cause.

Seahawk Landing Coming Soon!

With the commitment of the PAEDC Board of Directors, Representative Joseph Deshotel, and then State Senator Tommy Williams student housing at Lamar State College Port Arthur became a reality with the passing of House Bill 2473.



MEMBER THE TEXAS STATE UNIVERSITY SYSTEM

"Seahawk Landing is a beautiful residential facility that will provide students with on campus housing. We are eagerly awaiting the completion of Seahawk Landing in August", stated Dr. Betty Reynard, President LSCPA.

CNN Money Ranked Port Arthur No.1 for the Percentage of New Jobs Created

"The trend towards growth and expansion in the petrochemical industry began five or six years ago, as emerging markets in India, China and Brazil began to tip the supply and demand scale. In 2007, Motiva decided to invest in expanding their refinery and Port Arthur looked like a sure bet. The expansion allowed the Motiva facility to refine various varieties of crude oil and more than doubled its production capacity to 600,000 barrels a day of diesel, gasoline, jet fuel and other products. Around 14,500 people worked on the expansion project at peak construction and more than 300 new permanent jobs were created. In 2008 the Valero's board of directors approved the company's largest-ever capital investment project, an expansion at its refinery in Port Arthur, Texas, that involved the construction of a 50,000 barrel per day hydrocracker unit and a 45,000 barrel per day Coker, apart from the revamp and expansion of other units, this \$2.4 billion expansion will be the largest project for both Valero and the Port Arthur refinery. This expansion generated up to 1,500 new construction jobs.

In 2011 Total Petrochemicals invested \$2.2 billion in its Port Arthur

refinery. The Paris-based refinery constructed a 50,000 barrel-per-day Coker unit, a sulfur recovery unit and a vacuum distillation unit in Port Arthur; up to 2,200 people worked on the project. Houston-based energy company Cheniere Energy Inc. is currently expanding its project at its Sabine Pass liquefied natural gas export facility in Cameron Parish. The entire project valued at more than \$18 billion will expand the initial Cheniere Energy's liquefied natural gas (LNG) export facility plan from four liquefaction trains to six. The Cheniere Energy project will create 400 new direct jobs with the total project and an additional 120 new direct jobs from the expansion. The new direct jobs will average \$100,000 per year, plus benefits. The total project will result in 1,569 new jobs and an estimated 4,500 construction jobs. Exxon Mobil Corporation, the largest energy company by market value, signed an agreement with Qatar Petroleum International outlining a plan for construction of a \$10 billion natural gas export terminal in Port Arthur, Texas. Sempra Energy announced to add a third liquefied natural gas receiving terminal to its plans, and will build a \$600 million LNG facility in Port Arthur, Texas."

Marketing & Advertisement

Congratulations! The Port Arthur EDC has been awarded for the 2nd Year in a row, as a Top Five Awards of Excellence Recipient with Expansion Solutions Magazine. This magazine recognizes economic development organizations that have shown exceptional progress in the area of development. The locations were chosen because of the support system offered to businesses, as well as recent activity and potential growth that can be created in each area. Strategic locations, pro-business climates, investments made in improving infrastructure and the availability of buildings and sites were among the top deciding factors in choosing these locations.



Street Repair and Maintenance

The Port Arthur Economic Development Corporation Board of Directors heard the voice of the residents of our community and City Council "we need our streets repaired". The PAEDC Board of Directors voted to forgive 1/8 cents of its revenue received through the Sales and Use Tax allocated for economic development to implement a city wide Street Repair and Maintenance fund for the City to repair city streets. The proposition the voters approved is for a four (4) year period with a one-time option for renewal for four (4) additional years. The 1/8 cents will yield approximately \$1,000,000 (one million dollars) annually from EDC to the City for street improvements.

PORT ARTHUR ECONOMIC DEVELOPMENT CORPORATION

UPDATE: Downtown Pavilion and People's Park

The Downtown Pavilion and People's Park is scheduled for major improvements prior to the end of this year. With the final approval by City Council and an additional \$972,800, funds have been allocated for those improvements; the EDC Board of Directors is contributing \$600,000 and \$372,800 will come directly from the City. The upgrade is scheduled to be completed by December of this year. In addition to those improvements, the EDC Board of Directors; through the passing of House Bill 1966, have set aside \$2.1 million for infrastructure upgrades for the 500 block of Procter Street.

PAEDC DOWN PAYMENT ASSISTANCE PROGRAM (DPA)

The Port Arthur Economic Development Corporation Board of Directors with the approval of the Port Arthur City Council and the votes of the citizens of Port Arthur, have agreed, the PAEDC will set aside \$300,000 a year, for the next three (3) years, for the promotion and development of Affordable Single Family Housing. The program will commence October 1, 2016 and will extend until September 30, 2019. The targeted area is bound by Atlanta Street to Nashville Street and 5th Street to 8th Street.

The purpose of the Down Payment Assistance Program is to increase home ownership, to revitalize blighted and vacant land in the Downtown area, increase the taxable value of the land and assist low to moderate income households with a home purchase.

Qualified applicants can receive up to \$30,000 for down payment and closing costs. The funds will be made available on a first come, first serve basis. If a Port Arthur Home Buyer is interested in applying for the PAEDC (DPA) please visit our website at paedc.org for upcoming information.

World Forum 2016



Hosted annually for more than a decade, the WORLD FROUM for Foreign Direct Investment brings together expanding companies and investment promotion agencies to network and forge lasting relationships. Business leaders, chief executives and decision makers come to hear and discuss the latest news and trends on corporate investment strategy and expansion opportunities.

Through a series of high-level panel discussions, presentations, debates and bilateral meetings, leaders will share best practices with colleagues and start their own networks. This is the only custom-made FDI event that delivers direct contact with corporate location decision makers.



European CEO Magazine is a leading subscription-based print and online publication, delivered quarterly to c-suite executives in 28 countries throughout Europe.

In the last quarter of 2015 the PAEDC made a critical decision to market and advertise in Europe's diverse marketplace about Port Arthur, Texas.

A network of journalists interviewed CEO, Floyd Batiste and reported all data to headquarters in London, England providing numbers, detailed analysis, strategy and guidance needed to make qualified business decisions in Europe's diverse marketplace about Port Arthur, Texas.

In doing so, we are currently featured in European CEO's Subscription and was also highlighted at the World Forum April 3-7, 2016 in San Diego, California where we interacted with key decision makers who impact world concerns.

SpawGlass Wins Big for Port Arthur Work at ABC Excellence in Construction Gala

At the 15th annual Excellence in Construction Gala, Associated Builders and Contractors (ABC) of Greater Houston awarded SpawGlass the first place ICE Award for Excellence in for the Port Arthur Savings Renovation project. The project team consisted of Port Arthur Economic Development Corporation (EDC) (owner), SpawGlass (general contractor) and feats in the construction industry as well as the project's safety record.

Over the years, the Port Arthur Savings building was severely damaged by severe weather, including hurricanes. After an extensive renovation, the 19,544-square-foot, three-level building with lease space for future tenants. During design and construction of this Texas Historical Commission project, efforts were implemented to preserve the decorative stone, plaster, stairs and with an additional set of stairs, elevator and parking lot with ADA parking and ramps. The renovation also included roofing; facade work; and the installation of fire suppression, alarm



Construction in the Historical Restoration category and the overall 2015 Best of Houston Award Haddon+Cowan Architects Collaborative, LLC (architect). These awards commend remarkable

for City of Port Arthur now houses the Port Arthur EDC and Port Arthur Chamber of Commerce, window frames. The building, which was constructed c. 1930, was brought up to ADA standards and data systems.

Employment & Training

Over the last few years, the PAEDC has put a large part of its efforts into making skills development available and accessible to Port Arthur citizens. These efforts have been carried out with the expectation that we continue to develop a ready and capable workforce to fulfill the needs of our growing economy.

The PAEDC is committed to several employment and training endeavors that all have a common goal, to increase the possibility of a resident gaining employment.

First Source Referral – This program was put in place to be added to all Economic Incentive/ Loan Contracts the PAEDC enters into with a company. With this program, the company receiving any incentive/ loan agrees to utilize the PAEDC as a first source of referral when an open position becomes available with their company. The PAEDC in collaboration with the local Workforce Commission will make referrals of any qualifying TWC registrants.

On-the-Job Training – The OJT program offers companies an opportunity to employ residents who have little to no training in the respective field with the intent to train them while on the job. The PAEDC agrees to reimburse the employer at 50% of the employee's wages for the time they received training. All OJT contracts have a cap on the amount available to them for wage reimbursement.

Life skills Training – The PAEDC sought a local reputable training provider to provide Life skills Training to residents in need of common life skills to become employed and retain employment. The training facilitator is also responsible for assisting the resident in attaining and

retaining employment after their life skills training is complete.

Community Pre-Employment Program – The PAEDC created this program with the intent to place residents in positions that allows an employer to hire someone with basic training in the respective field giving the employee a chance to utilize their training and increase their knowledge with hands on experiences. In this program the PAEDC agrees to reimburse a company at 100% of the wages paid up to a certain amount or length of time training.

Workforce Training – This year PAEDC entered into two great collaborative Public Private Partnerships to train Port Arthur residents in high demand occupations. The first Partnership is between the Texas Workforce Solutions Board, Team Fabricators, and PAEDC. Team Fabricators has agreed to train on-site up to "36" Port Arthur residents in higher level welding with the opportunity for employment upon completion of their training. Texas Workforce Solutions is contributing \$75,000 to the cost of the program, and PAEDC, will match Texas Workforce Solutions contribution. PAEDC is also providing Pre-Employment funds for the reimbursement of the employees' wages throughout the training program. The second Partnership is between Lamar State College – Port Arthur (LSCPA) and PAEDC. LSCPA will provide training to 40 Port Arthur residents for obtaining a Class A commercial driver license certification, and PAEDC will pay full tuition for resident training.



The PAEDC has seen success in carrying out its mission to increase the local workforce skills development and employment base. We

will continue our efforts to make certain that residents continue to have available opportunities to become trained and employed while making certain that Port Arthur continues to have the workforce available for expanding and incoming employers.

For more information about the PAEDC, and for future newsletters, visit us online at www.paedc.org