

New Development

Flowserv – Lone Star Development has constructed a new building that Flowserv will occupy in the Business Park. Flowserve is a leading manufacturer and aftermarket service provider of comprehensive flow management products and services. Their solutions help move, control and protect the flow of materials in critical industries around the world.



Coastal Industrial Services, Inc. has completed its companies move to the Business Park and has expanded its businesses insulation services by adding scaffolding services.



Lockwood International, a major global industry leader, has purchased additional land to pioneer an expansion at their site in



the EDC Spur 93 Business Park. For over 35 years Lockwood has thrived as a world-class supplier providing industrial valves and solutions for the upstream, downstream, and energy markets.

New Board Members

The Port Arthur Economic Development Corporation is proud to highlight that in 2014 four (4) new Board of Directors were added to the panel to help develop and cultivate Port Arthur, Texas.

We are pleased to welcome the following Board of Directors:



Charlotte Moses
Board Treasurer



Osman Swati
Board Member



Harold Doucet, Sr.
Board Member



William McCoy
Board Member

A Letter from the CEO...

Throughout its history, Port Arthur Economic Development Corporation (PAEDC) has been fortunate in being able to attract the type of quality Board leadership needed to prudently guide and direct the Corporation. John C Maxwell, entrepreneur and author of numerous books on the topic of leadership, stated, "A leader is one who knows the way, goes the way and shows the way." These abilities are indeed reflected in the career and volunteer service experiences of our current and past PAEDC Board of Directors.

The Port Arthur Economic Development Corporation Board of Directors is made up of a diverse group of volunteers who work on behalf of the residents of our community to promote economic growth and quality of life in our community. The Board is comprised of business owners and managers, educators, and residents, whose common goal is to encourage and facilitate positive economic growth and a better quality of life for all citizens of our community.

As CEO, I work closely with my Board to maintain an active line of communication with businesses. Port Arthur possesses a distinct history that includes the petrochemical industry, oil and gas companies, pipe fabrication, steel making, warehousing, distribution, manufacturing, and government services. Our community has a diversified and talented workforce, and this makes us an attractive location for potential commercial business. When you combine these factors with the leadership of our new City Manager and City Planning and Zoning Board's willingness to expedite land development applications, an exceptional transportation network, and infrastructure that is always being improved; it gives our Board an upper hand when they are in the marketplace competing for new business. My Board of Directors capitalizes on all of these positive attributes, as it focuses on selling new business on locating to Port Arthur.

There are hundreds of communities throughout our country with neighborhoods and downtowns that are struggling economically and socially. The abandoned business district, dilapidated housing project, or a vacant building that is continually vandalized are all examples of deteriorated and blighted areas. Revitalization of these Downtown areas does not just happen on its own. Often, the private sector is reluctant to invest in them because the risks and costs associated with doing so outweigh the benefits. Redevelopment serves as a catalyst for private investment by providing the initial plan and seed money that ultimately breathes new life into Downtown areas in need of economic development and new opportunity.

The benefits of redevelopment are abundant. Success stories range from physical transformations of dilapidated buildings as we have done with the First National Bank Building, to the attitudes of the newly empowered people that reside in a redeveloped community; the positive effects of community pride are often contagious!

Redevelopment is a powerful tool that empowers communities through:

- Economic development and crime reduction;
- Creation of new job and housing opportunities;
- Development or improvement of public facilities like libraries, theaters, parks, youth centers, bike paths, and greenbelts (green space);
- Landscaping our neighborhood streets with trees or shrubs;
- Improved street lights, storm drains and water systems;
- Reduce through traffic on residential streets;
- New cultural, shopping, and recreational opportunities;
- Restoration of community pride; and

Ultimately it increases overall city revenues to provide greater public safety and services. The members of the Economic Development Board of Directors and my staff of professionals work together to promote the tremendous qualities that make Port Arthur a great place to live and work.

Sincerely,

Floyd Batiste

Floyd Batiste
PAEDC, CEO



PORT ARTHUR
ECONOMIC DEVELOPMENT CORPORATION

501 Procter Street
Ste 100
Port Arthur, TX 77640

(name)
(address)
(city, state, zip)

The PAEDC Board of Directors



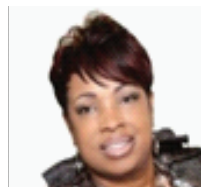
Pat Holmes
Board President



Carol Wommack
Board Vice-President



Christy Derouen
Board Secretary



Charlotte Moses
Board Treasurer



William McCoy
Board Member



Harold Doucet, Sr.
Board Member



Langston Adams
Board Member



Richard Wycoff
Board Member

PORT ARTHUR ECONOMIC DEVELOPMENT CORPORATION

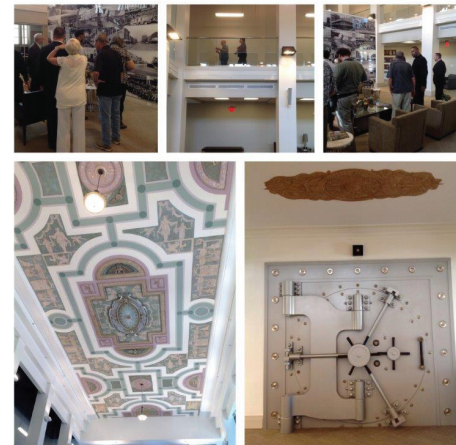
Spring - Summer 2015, Vol 4

"Build It, Ship It, Rail It in Port Arthur."

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

Renovation of a Port Arthur Icon

PAEDC celebrated completion of their new office space



Downtown Port Arthur, was once known for its vibrant businesses, and it has been in decline for recent years due to reduced traffic and population loss. The restoration of the historic First National Bank Building launched a revitalization effort to serve the community and increase the presence of downtown businesses. New Markets Tax Credits were utilized to redesign the 19,500 sq. ft. three story building as a modern office space. The improved building now houses the Port Arthur Economic Development Corporation (PAEDC), and the Chamber of Commerce. The Port Arthur Economic Development Corporation, will now focus on increasing Port Arthur's business activity and foot traffic by renovating other abandoned downtown buildings.

The restoration of the Historic First National Bank Building in downtown Port Arthur is complete. A grand opening celebration and a Public Open House took

place March 25th, 2015.

The building was originally home to the First National Bank when it was originally built circa 1930. The building has undergone significant restoration and has been converted to office space with additional lease space available.

Port Arthur EDC, in partnership with the National Development Council (NDC), used New Markets Tax Credits of \$1.8 million from Chase Bank

and has made application to the Texas Historical Commission for the Texas Historical Tax Credit for an additional \$1.1 million to help finance the redesign of the 19,500 sq. ft. three story building as a modern office space. The total project cost was \$5.4 million.



European CEO Magazine & World Forum 2015

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 2014 the PAEDC made a critical decision to market and advertise in European CEO Magazine giving us exposure in the European Market and yet again allowing key decision makers to know what we truly have to offer.

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. As a result, we were featured in European CEO's Winter Subscription and were also highlighted at the World Forum in February 7-10, 2015 in Dubai where our representative, Board Member Osman Swati interacted with key decision makers like Barry Johnson, Claude Jerome Pretorius, and Arslan Habib just to name a few.

The 11th annual World Forum for Foreign Direct Investment brought together 360 delegates from 38 countries, including decision makers from some of the fastest growing companies in the world. In Dubai we had the opportunity to meet investors and CEO's that make critical decisions about the economy.



In The Spotlight

• The Port Arthur EDC participated in the Logistics Development Forum in Park City, Utah as one of the headlining sponsors in August 2013 and went back again in August 2014 as a Sponsor in an effort to continuously compete on an international level for the possible success of a mega distribution /manufacturing facility in the Port Arthur area.

In doing so, came great success because one of the forums headlining Site Selectors found Port Arthur unique and therefore, he and a colleague visited our city in 2014 to take a comprehensive tour of Port Arthur in an effort to see what skill sets the citizens possess and what would be a 'good fit' to our diverse city. While in Port Arthur, they toured our 300-acre Business Park, the Port of Port Arthur, and the city itself as a collective whole.

This Logistics Development Forum, by far has taken our city to another level of competition because while there we were able to talk one on one with chief economist, consultants, key decision makers and give them pertinent facts and statistics about what Port Arthur, Texas has to offer.

A typical one on one forum is very competitive because people attending are trying to get that one big hit just like Port Arthur in order to create jobs, retain citizens, and heighten overall moral.

• The PAEDC Board of Directors' vision for its Neighborhood Park Enhancement Program was approved by the voters in the last election. Their effort was to spark community pride in order to bring neighbors together and build something positive in residential neighborhoods.

The Board believes the success of the Neighborhood Park Enhancement attributed to the philosophy that residents themselves were in the best position to decide how to improve their own neighborhood park and align their projects with the City of Port Arthur Parks & Recreation Department's long-range plans.

In the last three (3) years, the PAEDC Board has contributed \$1,500,000.00 toward the improvement of the following neighborhood parks:

Lyons Park	Lincoln Park
Montrose Park	Adams Field
Pioneer Field	Lakeside Park
Martin J. Holmes "Popeye" Park	County Park
Herman and Griffin Town Hall Park	Rose Hill Park

Marketing & Advertisement

The Port Arthur EDC launched a new Marketing Campaign "Build It, Ship It, Rail It in Port Arthur, Texas on July 25, 2013 in Downtown Houston, Texas to compete not only on a Regional level, but also a Global level, in direction to attract key decision makers called 'site selectors' to our developing city.

Site selectors are key players in economic development especially when a community is eager for growth and redevelopment. It is the marketing portion that ties it all together because when marketing your city you are able to meet face to face with the site selectors/consultants and actually market what your city has to offer, which in turn opens the door to a possible site selection tour, a home for a new business; which in turn creates more jobs, expands the community, permits more citizen retention, and consistent revitalization of blighted areas.

This Billboard opened many doors for the Port Arthur EDC on a regional/global level as

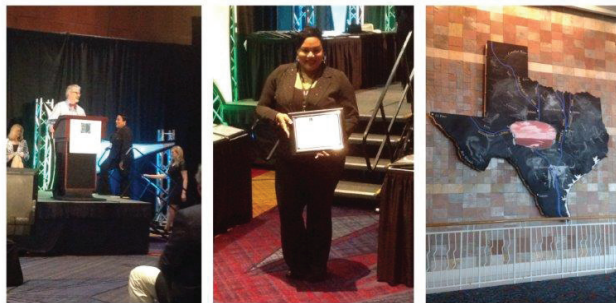
a whole and a lot of positive feedback was given back during this launch. We look forward to many more launches in 2014 and 2015 leading up to the PAEDC's 2020 Vision.



PORT ARTHUR ECONOMIC DEVELOPMENT CORPORATION

About the International Economic Development

The International Economic Development Council (IEDC) is a non-profit membership organization serving economic developers. With more than 4,400 members, IEDC is the largest organization of its kind. Economic developers promote economic well-being and quality of life for their communities, by creating, retaining and expanding jobs that facilitate growth, enhance wealth and provide a stable tax base. From public to private, rural to urban, and local to international, IEDC's members are engaged in the full range of economic development experience. Given the breadth of economic development work, our members are employed in a wide variety of settings including local, state, provincial and federal governments, public private partnerships, chambers of commerce, universities and a variety of other institutions. When we succeed, our members create high-quality jobs, develop vibrant communities, and improve the quality of life in their regions.



Operation Downtown

In 2009 the Port Arthur Economic Development Corporation (PAEDC) created an Operation Downtown Program to match funds for facade, site improvements and bringing commercial buildings up to code. The objective of the Operation Downtown Program was to support the revitalization of the city's commercial corridors by stimulating private investment in high-quality improvements that enhance the appearance of buildings, properties, and eliminate blight and non-conforming design standards. By enhancing the appearance of building façades, the program serves to improve the economic viability of the area. Better aesthetics increase property values, improve the marketability of space within the buildings and draw business and residents to the area.

The Program target area is the

Intracoastal Canal to the South, 7th Street to the North, Lake Charles Avenue to the East, and Martin Luther King Jr. to the West. PAEDC will award projects 50% of the total cost of the project not to exceed \$250,000 for total projects equal to or below \$500,000 and projects with a total project cost equal to or above \$500,001 can be subject to changes in the reimbursement rate and/or award amount as approved by the PAEDC Board and City Council. New recipients of the Operation Downtown Program during 2014 included:

- Rotary Club of Port Arthur - to construct an international flag monument at the Seawall
- International Longshoreman Association Local 25 – renovation of its labor hall
- Lamar University Port Arthur – construction of student housing

Port Arthur EDC wins International Economic Development Council 2014 Silver Award in the category Paid Ad Campaign- Population 25,000-200,000

Port Arthur Economic Development Corporation received a Silver Excellence in Economic Development Award for its 2014 project in the category of Paid Ad Campaign for communities with populations of 25,000 - 200,000 from the International Economic Development Council (IEDC).

The honor was presented at an awards ceremony on Monday, October 20, during the IEDC Annual Conference, which was held October 19-22, 2014 in Fort Worth, Texas.

"Economic development efforts have long been a keystone in the quest to bolster the economy and improve quality of life in every locality across the country," said Bill Sproull, IEDC chair. "As the nation continues to tackle challenges in the midst of global uncertainty, these efforts have taken on an even greater significance. With this award, we laud trendsetting organizations like Port Arthur Economic Development Corporation for leading the charge."

The project is a paid advertising campaign with focus on Site Selector Magazines and Billboards in the Houston, Texas market. This advertising campaign was created in

order for the City of Port Arthur Economic Development Corporation to attract both regional and global decision makers such as site selectors and business consultant's; especially those in the logistics industry to Port Arthur, Texas.

The goal is to raise awareness of what Port Arthur has to offer and why companies should consider relocating or moving to our community. In 2013, the Port Arthur Economic Development Board of Directors added a Marketing Manager position to its staff to accomplish this task, knowing that small businesses are the engine that drives Port Arthur's economy, and aids in helping to create the kinds of jobs and opportunities that are so necessary to our continuous community growth.

Supplementing the campaign advertisement Build It, Ship It, Rail It in Port Arthur, Texas was the focus of our local business attraction using social media outlets, including Facebook, LinkedIn, and Instagram.

IEDC's Excellence in Economic Development Awards recognizes the world's best economic development programs and partnerships, marketing materials, and the year's most influential leaders. These awards honor organizations and individuals for their efforts in creating positive change in urban, suburban, and rural communities.

Grow Port Arthur Fund

The National Development Council Grow America Fund (GAF), in cooperation with the Port Arthur Economic Development Board and Lamar State College-Small Business Development Center, provides financing to growing small businesses throughout our community. GPAF operates as a community development lender to support the creation of jobs and the expansion of eligible small businesses in underserved communities, particularly minority and women-owned businesses. The financing provided is partially guaranteed by the U.S. Small Business Administration under GAF's Small Business Lending Company license, and GAF has Preferred Lender status nationwide. GAF lending differs from conventional lending by providing:

- Longer Terms – Using repayment schedules up to 25 years that give the borrower smaller monthly loan payments
- Larger Loans – Providing loan amounts ranging from \$100,000 to \$2,000,000
- Lower Down Payments – Allowing higher loan-to-value ratios to preserve the business equity and ability to maximize growth potential
- Lower Interest Rate – Providing lower interest rates to enhance community development rather than corporate profit
- Better Structure - Matching the term of the loan to the life of the assets being financed, ensuring debt service does not exceed available cash flow

The Grow Port Arthur Fund is an innovative economic development finance program created by the PAEDC Board of Directors and City of Port Arthur, in partnership with the National Development Council (NDC), in assisting our small businesses in strengthening its foundation for future growth. The program provides financing for small businesses to redesign its capital structure and improve its cash flow, giving it flexibility to meet future growth opportunities. The program was created to stimulate the local economy and create jobs, making loans to eligible small businesses with capital from both the Port Arthur Economic Development Corporation and NDC, as part of NDC's Grow Port Arthur Fund (GPAF).

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 is in place with companies that enter into Economic Incentive/ Loan Contracts with PAEDC. Through this program residents of Port Arthur have the first opportunity for employment when open positions become available by these companies. The EDC in collaboration with the local Workforce Solutions will make referrals of any qualifying Port Arthur registrants.

"Since joining the Port Arthur Business Park in July, 2013, Tyco has actively worked to recruit Port Arthur talent for open positions. Throughout the past two years, we have worked closely with the Port Arthur EDC referral program, and other employment agencies to fill these openings. As a result of these efforts, we were recently able to fill one of our administrative positions with a Port Arthur resident!" – Robert Adams, Plant Manager

On-the-Job Training – The OJT program offers companies an opportunity to employ Port Arthur 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.

"It's an inspiration to see how many of these employees began with little or NO experience, but with their commitment, dedication and contribution... many of the men and women that began working through the on the job training program as helpers have made accomplishments and are now currently craftsmen. They wanted to learn." – Carmen Puente-Colindres, Talent Acquisition Manager – Brock Services

Life Skills Training – The EDC entered into an agreement with a local reputable faith-based-organization (Jireh World Outreach Ministry) to provide Life Skills Training and basic financial management 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.

"Changed his life. The classes were excellent, my son is now working." – Mrs. Martin, Mother of Lifeskills Graduate

"Gives you insight to yourself and life. When you leave, you take it with you." – Patrick Green, Lifeskills Graduate



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

"The more time you spend under the hood, the more you get out of it." – Higher Level Welding Instructor-Team Fabricators

"It's great to be given the opportunity to pick up a trade that's in high demand. I'm learning a lot." – Orlando Mitchell, Trainee

"This is a tremendous benefit for Team Fabricators!" – David Cherry, Plant Manager-Team Fabricators

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 24 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 20 Port Arthur residents for obtaining a Class B commercial driver license certification, and PAEDC will pay full tuition for resident training.

"The Lamar State College Port Arthur new Commercial Driver's License program is the perfect example of an effective partnership. The college designed a system that was built entirely upon the use of actual vehicles. This program is the perfect example of the good things that can happen when all the players work together for the good of the students and the area." Dr. Ben Stafford, Dean of Technical Programs

"I'm looking at this as being an opportunity to have people looking at getting CDL's to get certified. This is a great program. Looking forward to seeing it grow." – Isaac Riser, Parks Maintenance Supervisor-City of Port Arthur

The EDC 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 Port Arthur 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 new employers.



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