



**PORT ARTHUR**  
ECONOMIC DEVELOPMENT CORPORATION

FALL 2019, VOL 8  
NEWSLETTER



## PAEDC STILL WORKING TOWARD ECONOMIC REVITALIZATION

**AFFORDABLE HOUSING:** With the approval by the City Council, the EDC Board of Directors' Affordable Housing Down Payment Assistance Program was extended for three additional years. The program started with many obstacles, that have now been overcome. In the first three years the Board awarded up to \$30,000 in Down Payment Assistance each for the construction of 14 new homes. \$420,000 has been carried over from the first three years' allocation, and an additional \$900,000 is being made available for the next three years by the City Council's extension. Total Affordable Housing Down Payment Assistance available for the construction of 44 new homes with up to \$30,000 down payment assistance on a first come, first serve basis in the target area Downtown is \$1,320,000.

**PORT ARTHUR NEWS BUILDING:** The environmental remediation of the 43,000 sq. ft. Building formerly the Port Arthur News Building, is complete. Architect's Studio a local Architectural Company has been engaged as Architect and SETEX Construction a local Construction Company is currently engaged during pre-construction on the building. With about 30% of the design/drawing completed we are in

the process of obtaining a building permit from the City to begin construction, hopefully in November of this year. EDC staff has been holding bi-weekly meeting with the Architect, Pre-Construction Contractor, City of Port Arthur Fire Chief, Police Chief and Emergency Command Staff, Lamar State College Port Arthur President, and Dean of Curriculum. The building will be a Center for Community Business Development and will include the following: Co-Working Spaces, A Culinary Art and Hospitality Training Center, An Emergency Operation Center and a Commercial Kitchen.

**REVITALIZATION,** continued inside



# PORT ARTHUR

## ECONOMIC DEVELOPMENT CORPORATION

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

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on our Website: [www.paedc.org](http://www.paedc.org)





# NEW DEVELOPMENT - PORT ARTHUR

## WHAT A YEAR IN ECONOMIC DEVELOPMENT!

The PAEDC has recently been bombarded by questions of impact. Residents and City government have begun demanding that funding for Economic Development be measured and demonstrate the impacts they have on low and moderate-income community. Likewise, your EDC board members are increasingly insisting that as executive director I prove that outcomes are both meaningful and cost-effective.

As Economic Developers we are now being asked to track and quantify the benefits that they produce for lower-income individuals and neighborhoods, how have they really improved the community? It is a difficult task, complicated by limited resources and the often-ambiguous definition of successful community development.

The following is a list of completed Economic Incentive projects by your economic development organization approved by both EDC Board of Directors and the City of Port Arthur City Council.

1. Aref Plaza	Infrastructure
2. Magic Express Wash & Lube	Infrastructure
3. MPI	Infrastructure
4. Max Holding LLC	Infrastructure
5. Joe's Shopping Plaza LLC	Infrastructure
6. Parker's Building Supply	Job Creation
7. Standard Alloys	Job Creation
8. Rai's Bakery	Job Creation
9. Motion Industries	Job Creation
10. Robotgistic LLC	Job Creation
11. Vessel Repair	Job Creation
12. Industrial Insulation	Job Creation
13. Motiva	Ground Lease
14. Texas Tool & Industrial	Land Sales
15. B & B Ice	Land Sales



With these new approved projects, it is estimated an increase in the City tax base and most of all, an estimated increase of 150 to 200 new jobs.

More so than ever before, the community economic development field is under the gun to prove that it is making a difference in our community. In the last 10 years, your economic development Board of Directors and staff has found it sufficient to point to real estate development in an economically distressed market as an indicator of success.

## GROW PORT ARTHUR FUND SBA 7A LOANS

**If you have big plans for your small business, Grow Port Arthur SBA 7a program may be the answer.**

PAEDC is among a select group of SBA lenders in the area to offer this program, designed to encourage business growth and job creation. We fund long-term loans of \$50,000 to \$2,000,000 to start-up (in operation less than two years) and established businesses in Port Arthur. With low down payments and flexible collateral requirements, Grow Port Arthur Fund 7a loans can help you grow your business when you can't qualify for conventional financing. Because the SBA provides us with a guarantee on a portion of the loan amount, we are able to approve loans that otherwise would not be eligible. However, applicants must still clearly demonstrate an ability to repay the entire loan amount.

**Who can apply?** Generally, for-profit businesses that meet the SBA's small business size definition are eligible to apply. Non-profit entities, religious institutions, real estate investors, and financial institutions do not qualify.

**How can the loan be used?** Funds can be used for a wide variety of purposes including:

- working capital;
- furniture/fixtures, machinery and equipment;
- renovation, purchase or construction of land and building
- leasehold improvements (100% borrower occupied)
- business acquisition
- refinancing of debt for compelling reasons

**Interest Rate:** Rates are set at Prime + 2 – 5%, based upon credit quality, and are adjusted quarterly.

**Term:** 7 – 10 years with the exception of real estate, which has a 20-year term. No prepayment penalties for loans under 15 years.

**Equity Contribution:** Borrowers are expected to contribute a minimum of 10% (certain circumstances will warrant a higher contribution). This is a significant cash flow benefit to the borrower as most commercial lenders require 20-30%. Closing costs and fees can be applied to the equity contribution. Excess costs and fees (above 10%) can be



financed as part of the loan.

**Collateral:** The Grow Port Arthur 7a Fund requires that all personal and business assets and personal guarantees are offered to secure the loan. However, insufficient collateral will not necessarily preclude approval.

**What's the next step?** Speak to Ms. Rachel Jacquet, our loan officer, by calling 409-963-0579. Ms. Jacquet will explain the process and review the eligibility requirements with you. If the Grow Port Arthur 7a loan is right for you and your business, we'll work together to get you an answer as quickly as possible.



# LASTING LEGACY: LIVIN' IT UP DOWNTOWN

CITY OF PORT ARTHUR, PORT ARTHUR ECONOMIC DEVELOPMENT, LEGACY COMMUNITY DEVELOPMENT - "LIVIN' IT UP DOWNTOWN" HOMEOWNER DOWN PAYMENT ASSISTANCE PROGRAM

In partnership, the City of Port Arthur, the Port Arthur Economic Development Corporation Board and Legacy Community Development created the Revitalization Down Payment & Closing Cost Assistance Program, "Livin' It Up Downtown" that strives to promote, create, and facilitate homeownership and investment in a Downtown neighborhood. The Livin' It Up Downtown program focuses on rehabilitating existing houses, as well as promoting the investment in existing or new housing stock. The Down Payment & Closing Cost Assistance program component will help facilitate homeownership in Livin' It Up Downtown program neighborhoods.

## Eligibility Criteria – Who Can Qualify for Down Payment and Closing Cost Assistance

New construction or an existing home purchase must be located within the geographical boundaries of an established Livin' It Up Downtown neighborhood project area. Participating clients must have completed the Legacy Financial Literacy/Homebuyer Education Workshop within 6 months of the date of requested down payment and closing cost assistance. A valid certificate of completion, issued and signed by the Legacy Community Development, must accompany the application. Participating clients must have completed at least



three (3) hours of one-on-one housing or credit counseling with the Legacy approved housing counseling. Participating clients must meet the income eligibility criteria (at or below 120% of area median income (AMI). The City of Port Arthur will use the HUD Income Verification Calculator.

Availability of funds is established per project and may fluctuate. Funds are available on a first come first served basis. Funds provided per client may not exceed \$30,000, Port Arthur Economic Development Board of Directors' approval may be necessary in some cases.

**How the Program Works:** Meet the above-mentioned eligibility criteria, Complete an application with Legacy Community Development. Provide

Legacy with a copy of the closing disclosure documents. Provide Legacy with a written statement of required down-payment and/or closing cost assistance needed from the lender. Upon meeting the eligibility criteria, with the availability of funds, a check will be disbursed to the lender at closing. All funds provided will be in the form of a conditional grant. No repayment or deferred interest provisions apply. Conditional Grant recipients must agree to attend at least 6-hours of post-purchase, budgeting, or financial management one-on-one counseling with the Legacy Community Development housing counselors.

*For more information on the Revitalization Down Payment & Closing Cost Assistance Program "Livin' It Up Downtown" contact Ms. Beverly Freeman at (409) 983-8283, or Ms. Vivian Ballou at (409) 365-9850.*

## REVITALIZATION, continued

**LAMAR STATE COLLEGE PORT ARTHUR ARMORY BUILDING:** Through a joint application Lamar State College-Port Arthur and the Port Arthur Economic Development Board of Directors were awarded a \$4.8 million dollar grant to help renovate the existing Armory Building on Lamar State College-Port Arthur's Campus. Once the building is retrofitted, Lamar will offer training in welding, scaffold building, pipefitting, rigging structural steel, electrical, instrumentation, carpentry, concrete work and a wide variety of safety training. As Stated by Lamar's Dr. Ben Stafford, "this Craft Training Center will be one-of-a-kind in bringing realistic industry condition training environment"

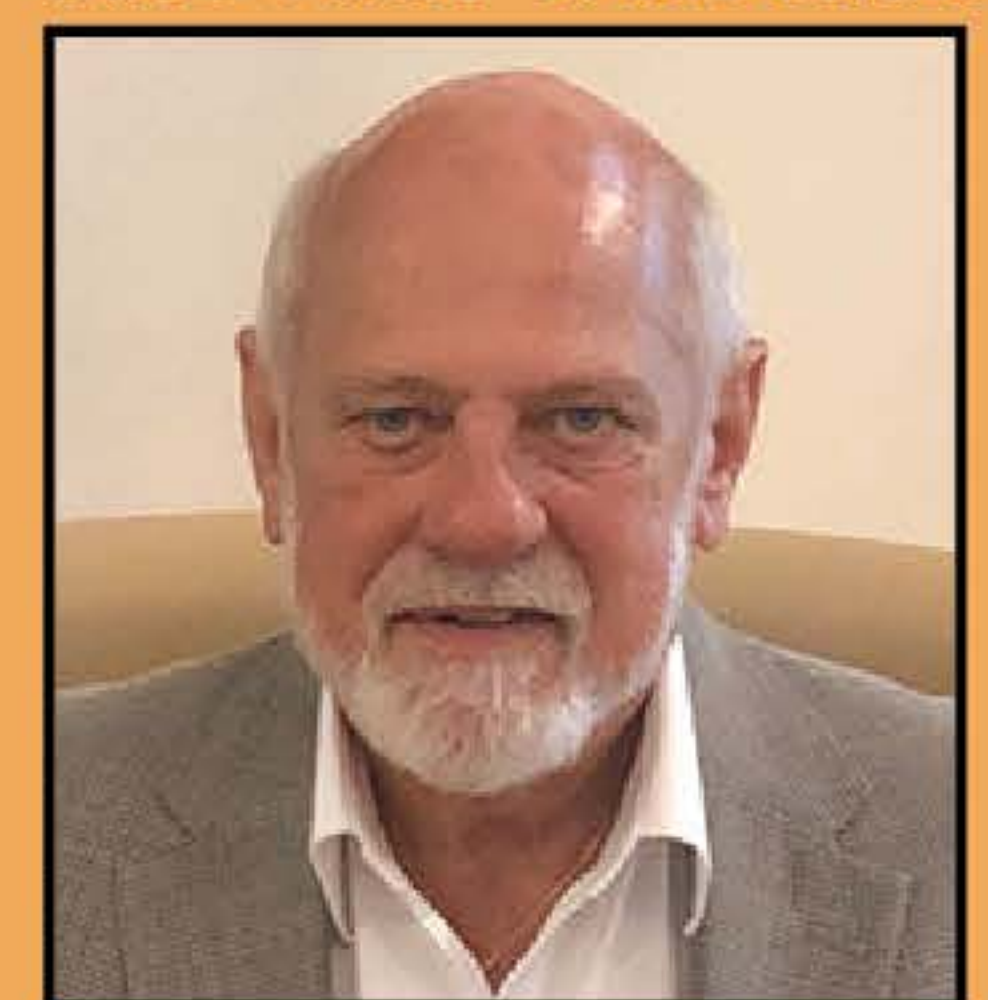
**THE DOWNTOWN 4TH STREET TOWNHOMES:** The on-again/off-again 4th Street Townhomes Project. Update, the Board entered into

an agreement with the National Development Council to Develop 118 units of Townhomes on the property contingent upon receiving a Disaster Recovery Grant from General Land Office (GLO). We did not make the first round of funding. In the Board's effort to realize the Townhome project, the Board entered into an agreement with Elandon Roberts and Associates to develop the property. Then came a developer having the capacity and financials to develop to property based on Motiva's investment into the downtown area. Recently, the PAEDC CEO received a call from GLO, stating that they are 99.99% sure that they will be issuing an award of \$12,000,000 grant for the project. As of today, the Board is reconsidering entering into selling the 4th Street property to the National Development Council, with investment from Elandon Roberts and Associates.



## WELCOME!

THE PORT ARTHUR ECONOMIC DEVELOPMENT CORPORATION'S BOARD AND STAFF WELCOME:



**NEW BOARD MEMBER**  
MR. JERRY LABOVE



**NEW DEPUTY DIRECTOR**  
MR. GEORGE DAVIS IV



# CITIZEN EMPLOYMENT & WORKFORCE TRAINING

## Summer Youth Employment, On-site Job Training among list of PAEDC goals for growth

It is our goal to make certain that Port Arthur has a trained workforce readily available for new or expanding businesses. We are heavily focused on providing our residents with the opportunity to receive hands on training to acquire the skills required to provide our companies with quality labor.

In this effort, the PAEDC continues to commit a portion of its budget for the training of Port Arthur residents. Over the last year, we have had success in funding ongoing and some new programs.

- Community Pre-Employment & On the Job Training Programs—Allow a participating employer to be reimbursed up to a certain amount of training costs if the company hires on entry level employees with little to no experience or agrees to upgrade current employee's skills while committing a period of time to train the employee in their new position.
- Workforce Training—As the demand for Commercial Drivers in our area continues to rise, the PAEDC saw fit to continue a partnership with Lamar State College Port Arthur



that began in 2015 offering tuition assistance grants to Port Arthur residents to obtain training for the CDL Class A& B Drivers Certification.

them exposure to the fields of work they had been studying in their respective career and technical programs in high school.

- Summer Youth Employment Program – This past summer, the PAEDC kicked off its Summer Youth Internship Program with 14 participants. The participants were all Port Arthur residents and 2019 high school graduates. The interns were successfully placed in positions with partnering employers that gave

- Lamar State College Port Arthur Scholarship – This year the PAEDC offered its first scholarship to five (5) 2019 high school graduates that were Port Arthur residents and enrolled to attend Lamar State College Port Arthur. Each scholarship was for a total amount of \$13,500.

## Congratulations to the following 2019 Scholarship Recipients!

Estefanie Figueroa  
Monsignor Kelly High School

Jesus Gonzalez  
Memorial High School

Denise Mitchell  
Memorial High School

Stephanie Sanchez  
Memorial High School

Ana Paola Valencia  
Memorial High School

## WORKREADY COMMUNITY

The Economic Development Board of Directors is in the process of implementing a Certified Work Ready Community aimed to ensure the growth of Port Arthur by creating an environment conducive to business and workforce development.

This Work Ready Community initiative will enable our community leaders to rally behind the concept of a ready-to work workforce. Hopefully, the City Council members, PAISD Superintendent, principals, teachers and business leaders will cheerlead this effort, creating a team approach to workforce development. The motivation for their engagement will be the achievement of being recognized as a Work Ready Community.

WorkReady Port Arthur will be a new program to help employers take the guesswork out of hiring new employees. This initiative will be coordinated by Mr. George Davis, your new Deputy Director of PAEDC.

employers with a snapshot of a prospective employee's skills in three areas.

These assessments are proctored tests that measure the communication and problem-solving skills that are required for 85 percent of all jobs today ranging from entry-level to professional positions. The jobseeker will take the (1) Applied Mathematics, (2) Reading for Information, and (3) Locating Information assessments as part of ACT. This allows employers to better match prospective employees with positions available within their companies/businesses.

Any business operating in Port Arthur and any Port Arthur resident will be able to participate in the Work ReadyPort Arthur initiative.

This initiative will be coordinated by Mr. George Davis, your new Deputy Director of PAEDC.



## Dear Citizens of Port Arthur,

It is so fitting for us to be here at our community changing point this year, a real anchor in our blighted area, downtown. With Motiva Campus planning on opening its doors in the 3rd quarter of 2020, with 600+ new office worker. "Thank You for your investments, Motiva". This changing point is not just non-denominational, it is multi-cultural, it is inclusive, and it is here, that we take stock of what community really means, the challenges we face together, and our shared goals and hopes for the coming year and beyond.

This has been an extraordinary year in Port Arthur, and I am privileged to say this is just the beginning for our great city. Without a doubt, it has been the work of the last several years that brings us to where we are today. I ask you to not only consider our progress, but to consider how our great city is poised for a revitalized and reinvigorated future. A Port Arthur more able to address the needs of its citizens, to attract and welcome more visitors, to be more attractive to new businesses, employers and carefully crafted development, and most important within reach of our highest goal: a safer, more inclusive city.

With the stabilization of the City's finances came the first chance in nearly a decade to make measured, but vital, investments in city infrastructure. We arrive at this point, having done the things we have, better able to address the issues that matter most to you. We got here because we worked together. Our City Council was engaged in the process, asked the right questions, and worked with the City Administration to set priorities for needed improvements.

Beginning in 2018, with the establishment of a Blight Task Force by Interim City Manager Ron Burton and the Municipal Court, we've cleaned-up, secured, or demolished more properties than at any point in our city's history. Newly employed code enforcement personnel paid for with Workforce Disaster fund from The Southeast Texas Workforce Board were/are on our streets taking action, all while building stronger partnerships with our non-profit housing partner, Legacy Community Housing. For many years, Legacy Community Housing has been working in our community and in the region to bring beautiful and affordable housing to downtown Port Arthur. I would like to recognize and thank their Executive Director, Vivian Ballou, who along with a great team is making a difference in our City.

Our new approach to systematically attacking blight in our city is working, and progress can be seen in our downtown target area. Another visible example is our Board of Directors taking on the former Port Arthur News Building on 4th Street. For years, the Port Arthur News building was a part of the social fabric of the downtown area, and so many of our residents still hold fond memories of their own time there. For nearly a decade, the 4th Street

property has stood at an important and historic corner in our city, slowly deteriorating. It was time for us to act.

We know that attacking the problem of vacant and abandoned properties requires a multi-faceted approach that strategically cultivates private sector investment, while at the same time protecting access to affordable housing. That's why we're excited about the opportunity to partner with the City.

The Board of Directors, under the leadership of Chairman, Ms. Ingrid West Holmes, no longer wants to stand by while legacy's problems continue to fester. Next year, the Board is planning on beginning a lengthy public comment period to listen to our residents, our faith-based organizations, our non-profits and others, about what the best plan for redevelopment or perhaps rehabilitation. The Board's goals and objectives for the coming years demand greater community outreach and engagement with our residents in order to assure we all have an opportunity to contribute to the important decisions that are before us. And to that end, it is my Board's responsibility to make our local government more responsive and inclusive.

I realize the fortunes of PAEDC, Port Arthur ISD, Lamar State College Port Arthur and The Greater Port Arthur Chamber are intertwined. I want to give thanks and acknowledgment to PAISD Superintendent Dr. Mark Porterie, LSC-PA President, Dr. Betty Reynard and President, GPAC Pat Avery and their teams, along with members of their Boards.

What I enjoy the most about serving as Director of the EDC is when I get the honor of being around our youth. When I get to engage with them, I realize what an impact we have on them. And they do not forget. It is our responsibility to lead by example with civility and respect. Our kids deserve it. That's why my Board created a new youth scholarship and summer intern program in 2019. That's why we increased funding for youth in 2020, and that's why I plan to ask my Board to increase funding for youth programs in the coming years. While funding youth programs is important, we must also do a more exacting job of conveying to our youth and their parents the existing youth programs run by various and talented organizations and how they can access them.

As I have gone about trying to building the City of Port Arthur's economic development team, I recognized that a key missing piece was staff members dedicated to supporting small businesses and entrepreneurs. I understood that in order for Port Arthur to become a world-class City, we must do far more to ensure Port Arthurian are able to launch and grow businesses. I am excited for George and Krystle taking on this important work as we make Port Arthur a 21st Century City of opportunity

for everyone. George Davis and Krystle Muller will serve as the Board dedicated point of contact for small businesses and entrepreneurs in Port Arthur. Port Arthur really has the makings of a great entrepreneurial ecosystem. One of my main goals is to ensure that the Port Arthur Economic Development Corporation really is as effective a partner as we can possibly be in building out that ecosystem. Port Arthur's future economic growth undoubtedly hinges upon our ability to create an ecosystem in which small businesses, entrepreneurs and innovators are encouraged to test ideas, take risks and grow businesses. I recognize that the City Council and the City can play a unique role in shaping this ecosystem, whether through direct efforts like the City's contracting and purchasing processes, or through policy and advocacy at the local, state and federal level. I am excited for my Board of Directors to joining a growing city support system for small businesses and entrepreneurs and we are committed to ensuring the PAEDC deploys its resources in a meaningful way to support the growth of the innovators who will shape the future of Port Arthur's economy.

My Board of Directors understands that to have a vibrant community relies on the ability to attract and retain a qualified workforce to support the growth of area employers. This can be challenging, as jobs, and the skills needed to be successful, rapidly changes. The Board is currently working with ACT WorkKeys on how we can become a Work Ready Community. I will provide our economic development staff, led by Deputy Director, Mr. George Davis, with the resources to prepare our workforce to engage and maintain business and industry. Mr. Davis' goals and objectives will be to create a talent pipeline for new jobs, to provide a pipeline of quality workers for manufacturing jobs, and to use ACT WorkKeys Assessments. His priority is to ensure that potential employees have the skills needed to fill jobs, with a focus on advanced manufacturing production, as well as other technology-related workforce needs.

The resurgence of Port Arthur rests not in the hands of one individual or one group of people. The credit belongs to all those who work and live here, all those who made the decision to invest in our community, whether by purchasing a home, fixing-up a property, or by starting a business. The credit belongs to the more than 53,000 residents who call Port Arthur home and share our passion to work together for our common good. The credit belongs to you. Just imagine what we will do together in the coming years.

Thank you and God bless the great residents of Port Arthur.

*Floyd Batiste*  
Floyd Batiste, CEO, CEcD





**PORT ARTHUR**  
ECONOMIC DEVELOPMENT CORPORATION

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# COMMUNITY VISION STATEMENT

*Port Arthur is a vibrant city that is an international hub for energy and maritime commerce, the birthplace of oil with a rich heritage of diversity, sustainable growth through new business, industries and infrastructure. The community provides its citizens with a high quality of life through educational, recreational, cultural and employment opportunities. The power of our community organizations working together to reach agreed upon goals, was nothing short of spectacular.*



**Ingrid West Holmes**  
Board President



**Darrell Anderson**  
Board Vice President



**Dallas Smith**  
Board Secretary

# BOARD OF DIRECTORS



**Kenneth Marks**  
Board Treasurer



**Christopher Smith**  
Board Member



**Jerry Labove**  
Board Member



**John Chirafis**  
Board Member