# TOUS TON REGIONAL ECONOMIC DEVELOPMENT ALLIANCE

Tuesday, November 12, 2024







HREDA's 2025 Leadership

# HREDA's 2025 Leadership

- Chair: Stephanie Wiggins, Partnership
   Lake Houston
- Vice Chair: Scott Livingston, City of League City
- GHP Representative: Craig Rhodes

# Regional Project Pipeline Updates & Discussion

Craig Rhodes SVP, Economic Development Greater Houston Partnership





GREATER HOUSTON PARTNERSHIP.

# **2024 Economic Development Wins**

By the Numbers 27 Projects 4529 New Jobs

\$1.06 Billion Capex
Domestic - 9 Int'l - 18

**Energy Transition** 



**FLUENCE** 

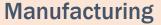


IMPERIAL STAR

































Energy



**Life Sciences** 





Aerospace & Aviation



**Digital Tech** 



Logistics









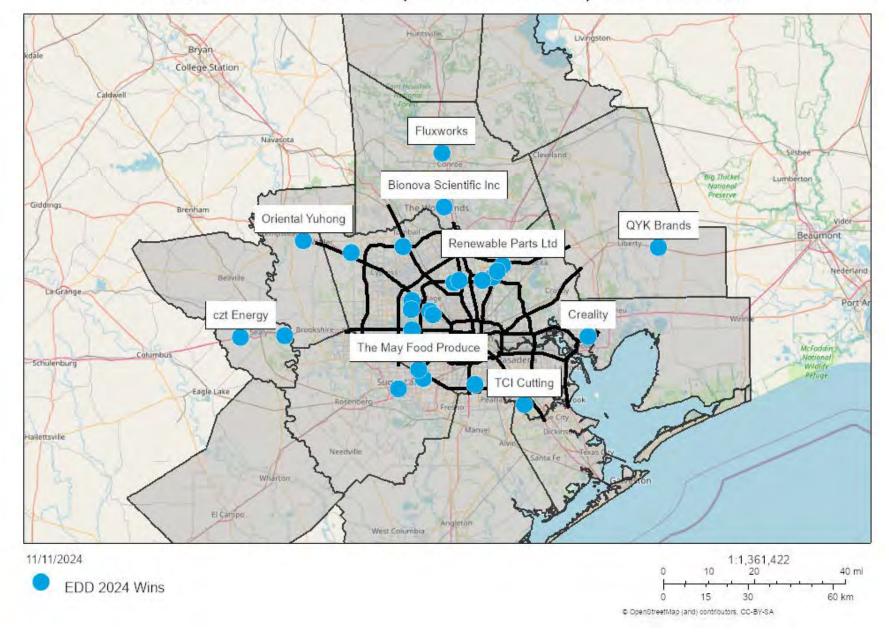
### **2024 Economic Development Wins**

### **Project Names by Capex**

- QYK Brands Project Tough Care
- 2. Grainger Project Mercury 2
- 3. Bionova Scientific Project Sunny Skies
- 4. Oriental Yuhong Project Umbrella
- 5. IC Star Solar Project Pink Lily
- 6. Solar Plus Technology Texas Project Lumos
- 7. TMEIC Americas Corp Project Gemini
- 8. Healgen Scientific Project Lake
- 9. CZT Energy Project Sunflower
- 10. MetOx Project MetOx
- 11. May Food Produce Project Star Apple
- 12. Poggipolini Project Fastener
- 13. Triveni Turbine Project Texas Vapor
- 14. Chenta Precision Machinery Project Green Machine
- 15. Integra Mission Control Project Gemini

- 16. Polyhose Project Hose
- 17. Fluence Energy Project Foliage
- 18. NABOHI Project Waimea
- 19. TCI Cutting Project Orange Blossom
- 20. Polymaker Project FD4
- 21. Winit America Project Pigeon
- 22. Creality Project Builder
- 23. Fluxworks Project Fluxworks
- 24. Plug and Play Tech Center Project Platypus
- 25. Polytec Project Slater
- 26. YPFB Chaco Project YPFB
- 27. Renewable Parts Project Renewable Parts

### Greater Houston Partnership Economic Development Wins 2024



### Regional Economic Development

**Announcements - October** 



MetOx International, a manufacturer of high temperature semiconducting wire, is expanding their recently opened manufacturing facility in Houston. The project will create 50 jobs with \$20M in capital expenditures.

## Regional Economic Development

**Announcements - November** 



Integra Mission Critical, a producer of electronic modules for data centers, opened a new Houston location for light assembly and distribution. The project will create 500 jobs with \$10M in capital expenditures.

## Regional Economic Development

**Announcements - November** 

# PLUGANDPLAY

Plug and Play, a startup incubator and investor, is opening a new location in Sugar Land focused on smart cities tech. The expansion will create 4 jobs with \$1M in capital expenditures.

### International Economic Development

**Announcements - November** 



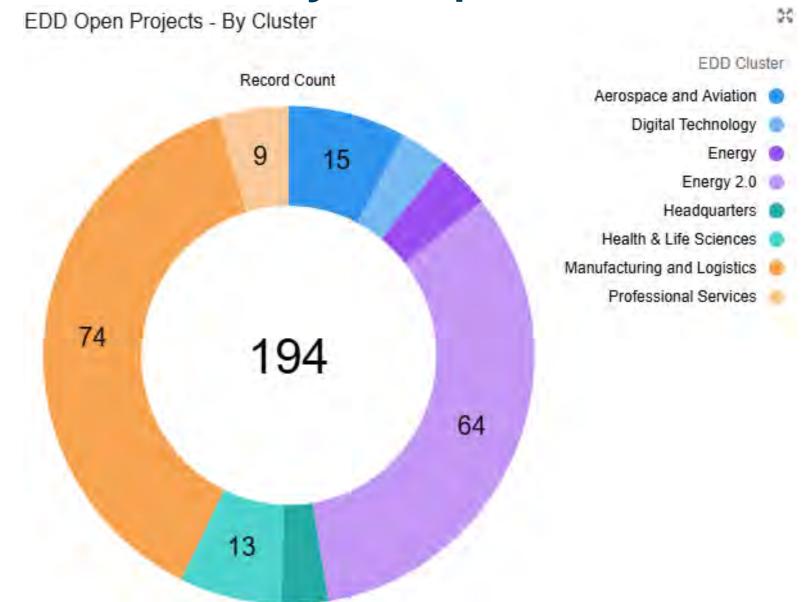
**Polytec,** an Italian manufacturer of robotics, opened a new Houston office & warehouse for distribution. The project will create 30 jobs with \$800k in capital expenditures.

### International Economic Development

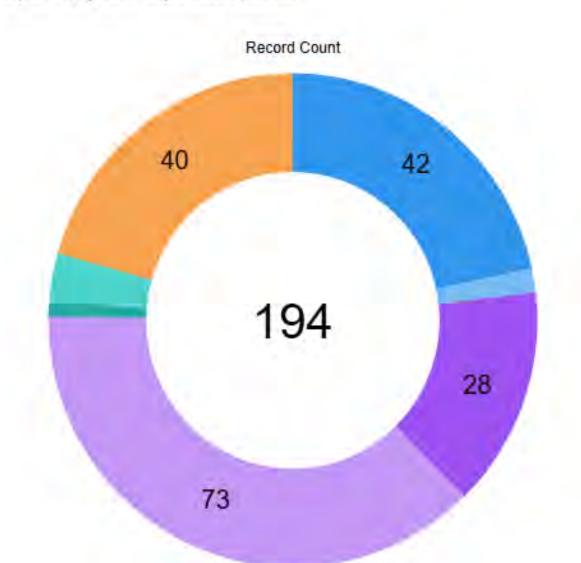
**Announcements - November** 

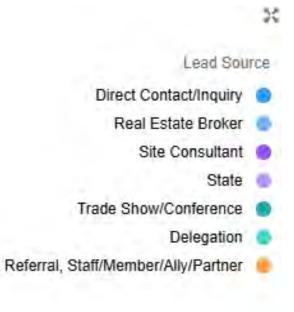


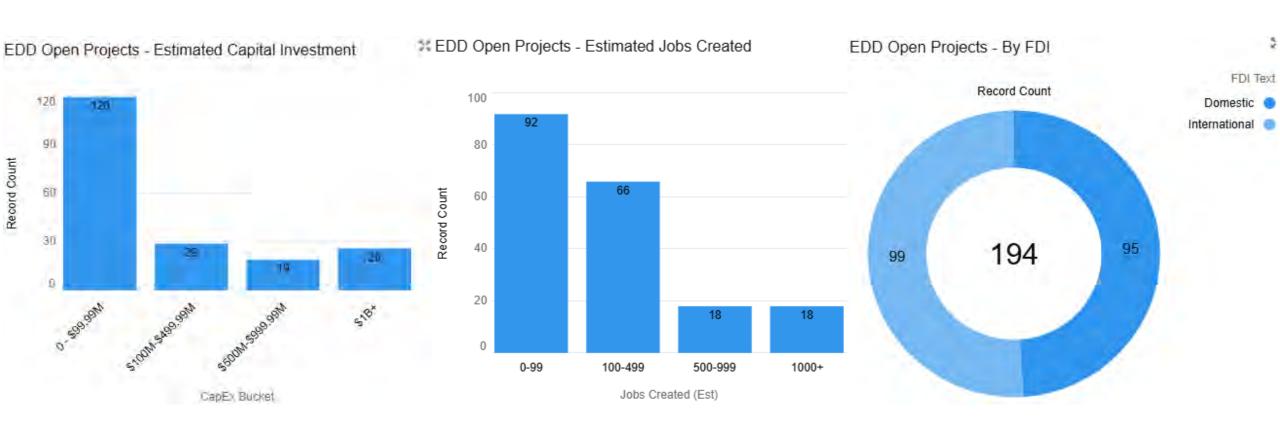
TCI Cutting, a manufacturer of advanced cutting and welding machines, opened a new Houston location for sales, assembly, and demonstrations. The project will create 10 jobs with \$5M in capital expenditures.



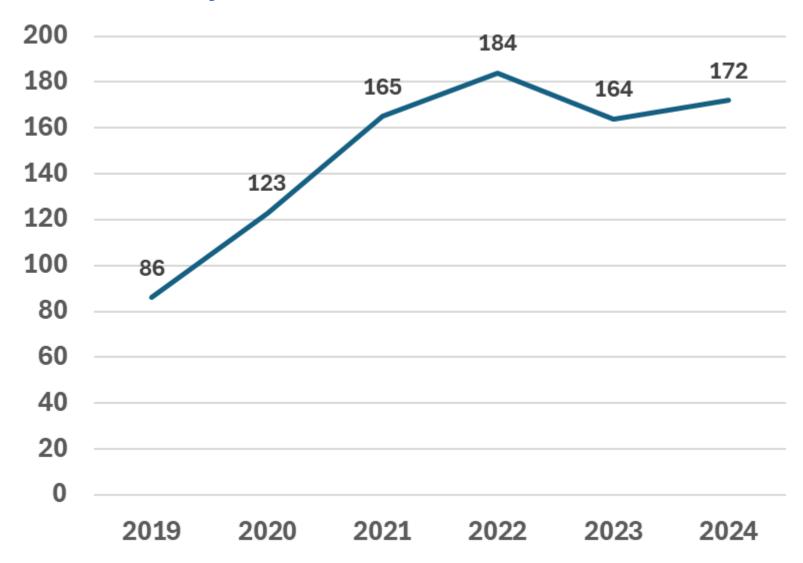
EDD Open Projects - By Lead Source







**January-October New Projects** 



# **Most Active Projects**

- Project A2 Site visit week of 11/11
- Project Big Menu Shortlisted Houston area sites
- Project Covenant Shortlisted Houston area sites
- Project Green Glow Shortlisted Houston area site, working on incentives
- Project Gumby Site visit week of 10/14
- Project Magnolia Site visit week of 11/11
- Project Maverick Site visit week of 11/11
- Project Mockingbird Shortlisted Houston area sites
- Project Patriot Site visit week of 10/28
- Project Spring Daylight 2 Virtual site visit week of 10/14

# Community Spotlight: Economic Alliance Houston Port Region

### **Chad Burke**

President and CEO

Economic Alliance Houston Port Region







# CAPTURING CAPITAL INVESTEMENT BY MAKING THIS REGION GLOBALLY COMPETITIVE



### **FOOTPRINT**

### **Destination for Investment**













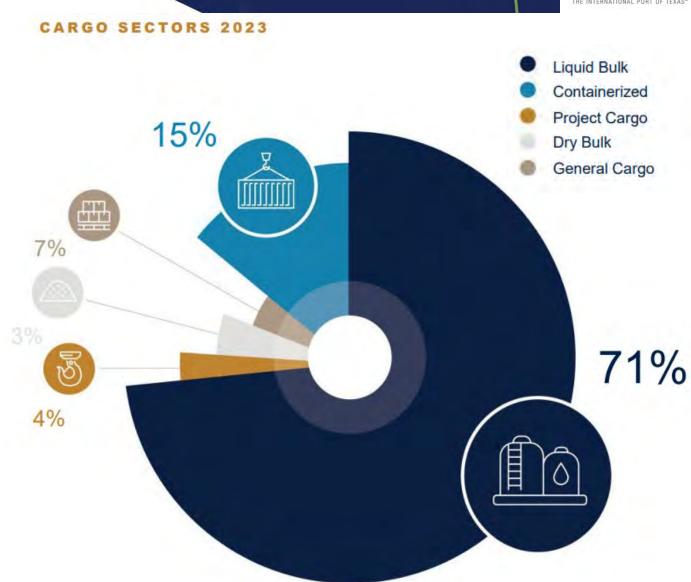
# HOUSTON PORT REGION ACTIVITY



### **HOUSTON SHIP CHANNEL STATS**

PORT HOUSTON
THE INTERNATIONAL PORT OF TEXAS\*

- 1st ranked U.S. port in foreign waterborne tonnage (2023)
- 1st ranked U.S. port in total foreign and domestic waterborne tonnage (2022)
- 2nd ranked U.S. port in terms of total foreign cargo value (\$242.3 billion)
   2023
- Largest Texas port with 42% of market share by tonnage



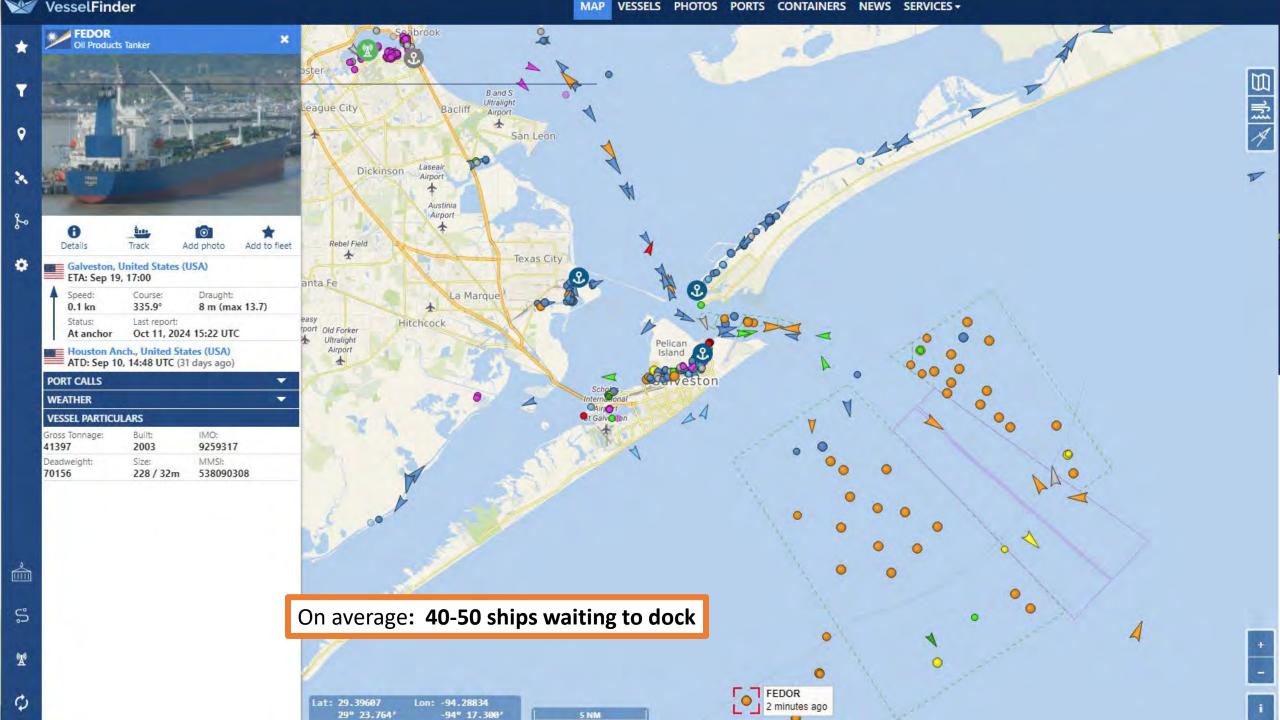


- Container volume will exceed 4M TEUs in 2024
- 5th ranked U.S. container port by total TEUs
- Largest Gulf Coast container port, handling 73% of
   U.S. Gulf Coast container traffic
- Largest Texas port with 97% market share in containers

<u>Population growth</u> and <u>global demand of our products</u> continue to drive imports/exports







### **PORT HOUSTON**

#### **CONTAINER COMMODITIES – EXPORTS & IMPORTS**

#### WE CONSUME 67% OF IMPORTS

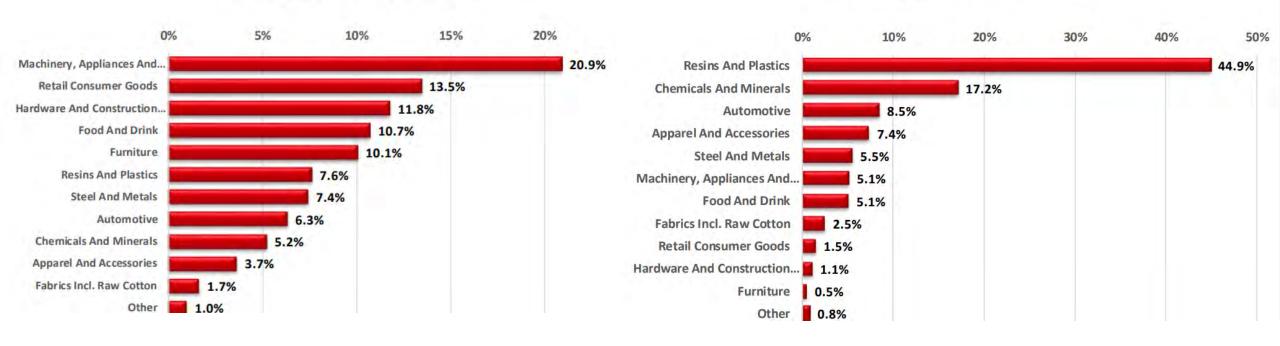
#### **Container Commodities: Imports**

Percent of TEU Total based on 2023 Data

#### WE MAKE 62% OF EXPORTS

### **Container Commodities: Exports**

Percent of TEU Total based on 2023 Data





CHEMICAL EXPORTS



MANUFACTURING ENGINE



EMPTY CONTAINERS

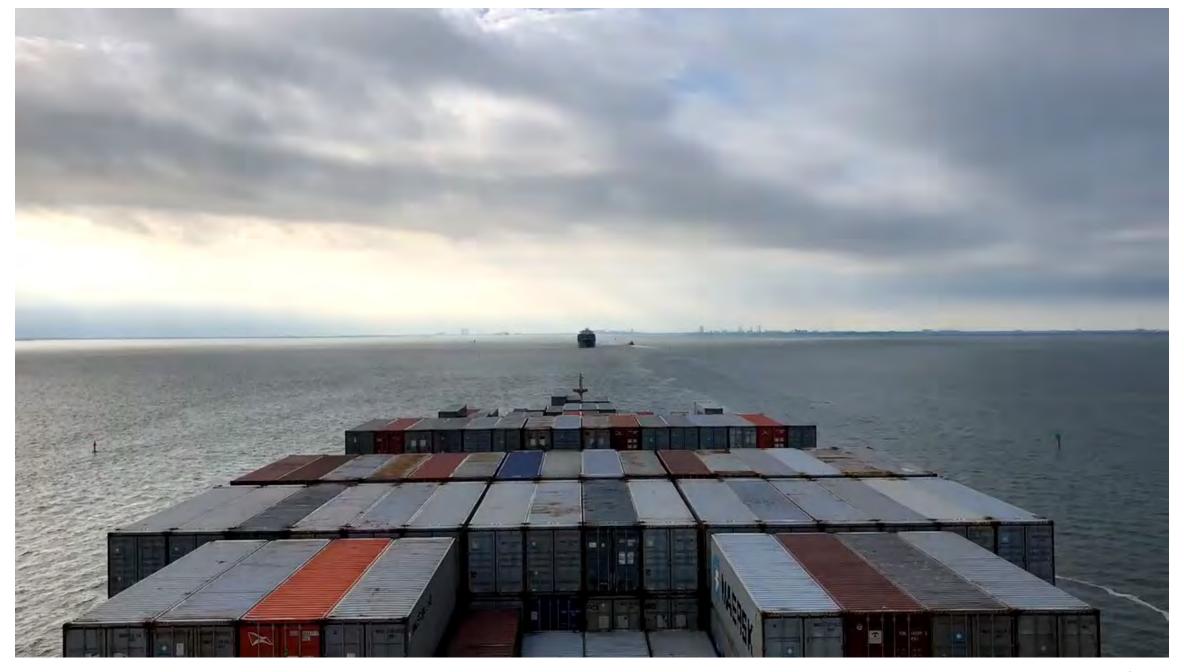






RETAIL & HOUSING DEMAND

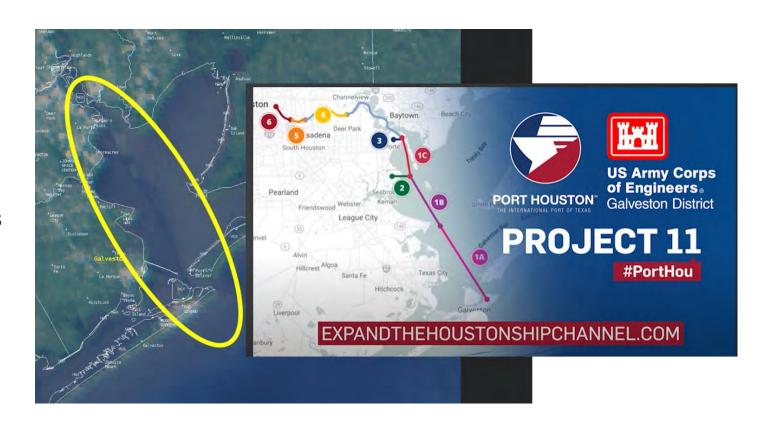




# PORT HOUSTON IMPROVEMENTS AND INVESTMENTS

### **PROJECT 11**

- Widen the channel from 530 feet to 700 feet.
- It will also deepen upstream segments to 46.5 feet, make other safety and efficiency improvements





Petrochemical MFG
What we make,
Makes the world better









EVERYDAY PRODUCTS FROM PETROCHEMICALS: CONSTRUCTION











# **ECONOMIC IMPACT**

# **ECONOMIC IMPACT – Houston Port Region**

## **GROWTH ENGINE**

# **Economic Impacts of the Houston Ship Channel**

### **Direct and Indirect Jobs**

1.5 M - Texas

3.4M - US

### **Economic Value**

\$439B - Texas 18% of state GDP

\$906B - US

# Job Growth (direct/indirect) '18 to '22

190,000 - New jobs Texas

180,000 - New jobs US

## Economic Value Growth '18 to '22

\$100B New economic value to Texas

\$117B New economic value to US



# ECONOMIC DEVELOPMENT

# **ECONOMIC DEVELOPMENT**

## **MISSION:**

- Identify and support companies that want to locate or expand in the Houston Port region.
- Build a project pipeline, provide responses/solutions and strengthen our prospect, member and ally relationships.

# **GOAL:**

 Secure businesses to locate /expand, invest capital and create jobs.



# PROJECT SUPPORT/SERVICES

Navigate the multiple facets of the site selection/expansion process, including access to our economic development support network.



- Facilitate access to data
- Provide guidance in evaluating State and Local incentive, permitting and workforce programs
- Advocate for projects and mobilize key members

# PROJECT ACTIVITY - '08 to '23

# EA Project Wins Jobs and Capital Investment by Year



### Wins

- **82**
- \$18.8B Cap Ex
- 4,100 Jobs Created

## **Yearly Avg**

- 5 Projects
- \$1.2B of Cap Ex
- 278 Jobs Created

# PROJECTS BY INDUSTRY '08 - '23 Heathcare 1% Real Estate 5% Logistics 19% Manufacturing

20%

## **Industry**

- 55% Petrochemical
- 20% Manufacturing
- 19% Logistics

# **WINS - 2023**

5 Wins total **\$1B** in capital investment, **318** direct jobs and **435** retained positions.

	JOBS CREATED	JOBS RETAINED	CAPITAL INVESTMENT
Kao	60	NA	\$250M
▲ ALBEMARL	E 13	425	\$515M
John Cockerill	200	NA	\$150M
The American Chamical Company	30	NA	\$80M
covestro	15	NA	\$10M
	318	425	\$1B

New to Texas

# **WINS - 2024**

2 Wins - \$424M in capital investment, 520 direct jobs over the next 5 years.



Construct a methyl methacrylate (MAA) manufacturing plant - Based in CA the largest supplier of Wet Wipes & Materials in the U.S.

- \$400M Cap EX
- 500 jobs over the next 5 years



NEW TO TEXAS

PANELIST @

EA PROCUREMENT

FORUM - Nov 5th



Construction of a new 200k sq ft distribution facility at existing site in Jacinto City

- \$24M Cap Ex
- 20 New Jobs





# **PROJECT ACCESS**

## '23 & '24 Announcements

# \$880M in Project Announcements @ EA Procurement Forums



ETHOX '23 - \$80M New Surfactants Production Plant **New** Tertiary Amine Production Plant



JOHN COCKERILL '23 - \$150M

New Electrolyzer

Manufact. Facility

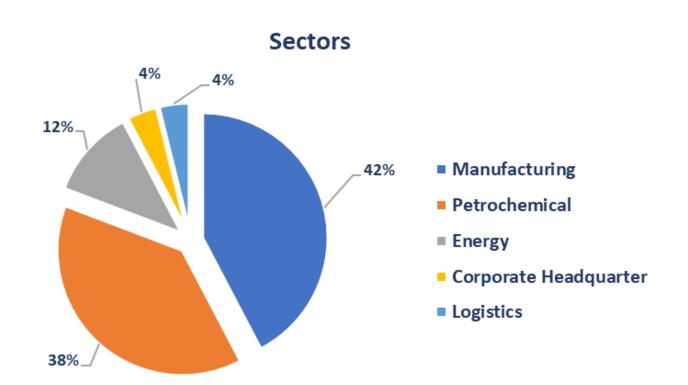
QYK '24 - \$400

<u>New Methyl Methacrylate (MAA)</u>

Production Plant

# **PROJECT PIPELINE – 2024**

# **Industry Breakdown**



## **26 Projects**

- \$7.6B Cap Ex
- 4,509 New Jobs
- 42% Manufacturing
- 38% Petrochem
- 12% Energy
- 4% Logistics
- 4% Corporate Headquarter

Early stages of evaluating multiple locations across the Houston Port region/Ship Channel.

# **Economic Development Taskforce Meetings**

**May Meeting** 

# **SULZER**







**July Meeting** 





**Sept Meeting** 





# **ECONOMIC DEVELOPMENT TASKFORCE**

# **Reasons to Join Us!**

- <u>CONVENE</u> members, stakeholders, partners and municipalities.
- UPDATES on project wins and pipeline from Economic Alliance.
- HIGHLIGHT/TOURS of both municipal and private sector INVESTMENTS & FACILITIES.
- Build <u>STRONGER REATIONSHIPS</u> amongst our members, stakeholders and businesses.
- **NETWORK of 70+ ATTENDED MEETINGS** in Feb, May and July





# **PUBLIC POLICY**

# **PUBLIC POLICY**

**Federal Policy White Paper in D.C.** 

## **April 2024 DC Trip**

- 52 Members Attended
- 46 Meetings across 2 Days





Petrochem Manufacturing **Regulations Impact** 

**Community Colleges** Workforce Development Support

Coastal Barrier Economic **Asset Protections** 











# **PUBLIC POLICY**

# **2023 State Policy White Paper**

Economic Alliance supports the funding and completion of transportation projects impacting the movement of product and people

- Beltway 8 Ship Channel Bridge and State Highway 225 Funding and completion of all 8 direct connectors.
- Engineer, fund and complete a <u>direct connector from State</u>
   <u>Highway 225 to Barbour's Cut Blvd</u>.
- Fund the <u>San Jacinto River Bridge</u> replacement, Cedar Bayou Crossing, and Garth Road improvements.
- Grand Parkway/99 Southeast Section; segments A, B and C.





THE HOUSTON PORT REGION IS ONE OF THE MOST IMPORTANT INDUSTRIAL AND LOGISTIC BASES IN THE WORLD.

Economic Alliance, representing over 200 private sector companies, Port Houston, 12 cities, Harris County and several educational institutions support policies that create an attractive business climate for business and skilled workers to grow.

Objectives of our 88th legislative session priorities are to highlight the following issues related to the Houston Port region:

- TCEQ SUNSET
- ECONOMIC DEVELOPMENT INCENTIVES
- ELECTRIC RELIABILITY
- WORKFORCE DEVELOPMENT/COLLEGES
- PROPERTY TAX RELIEF
- TRANSPORTATION PROJECTS
- ASSET PROTECTIONS

Economic Alliance asks for your insight and support to advance solutions that strengthen the long-term growth of the most sought-after region in the world for petrochemical, manufacturing, maritime and logistics operations.

# HOUSTON PORT REGION LEGISLATIVE PRIORITIES

#### TCEQ SUNSET

Support environmental policies that are conducive to creating economic opportunity and preserving a sound business environment.

#### ECONOMIC DEVELOPMENT INCENTIVES

Support the creation of a new school property tax abatement program (Chapter 313) that attracts new investment and ensures our long-term competitiveness.

#### **ELECTRIC RELIABILITY**

Support solutions that improves the operational performance of our existing electric generation fleet and provide targeted incentives to attract new generation.

#### WORKFORCE DEVELOPMENT/COLLEGES

Continued support for the Texas Commission on Community College Finance revised model for funding community colleges.

#### PROPERTY TAX RELIEF

Support measures to ease the property tax burden and a complete reformation of the industrial and residential property appraisal system.

Maintenance of municipal authority and oppose any measure which jeopardizes the ability to make decisions that impact businesses and quality of life.

#### TRANSPORTATION PROJECTS

Support the funding and completion of documented transportation projects impacting the state's most vital economic corridor.

#### ASSET PROTECTIONS

Support legislation to fund the design and construction of the Coastal Spine Project.



# TRANSPORATION/INFRASTRUCTURE

# TRANSPORTATION/INFRASTRUCTURE

**ECONOMIC ALLIANCE CONVENES** local/state elected officials, Port Houston, petrochemical association partners and private sector members to **DELIVER TXDOT A PRIORITIZED PROJECT LIST** 

Impacting safety, mobility efficiency and environmental concerns related to the SH146/SH225/610/I10 transportation corridor.



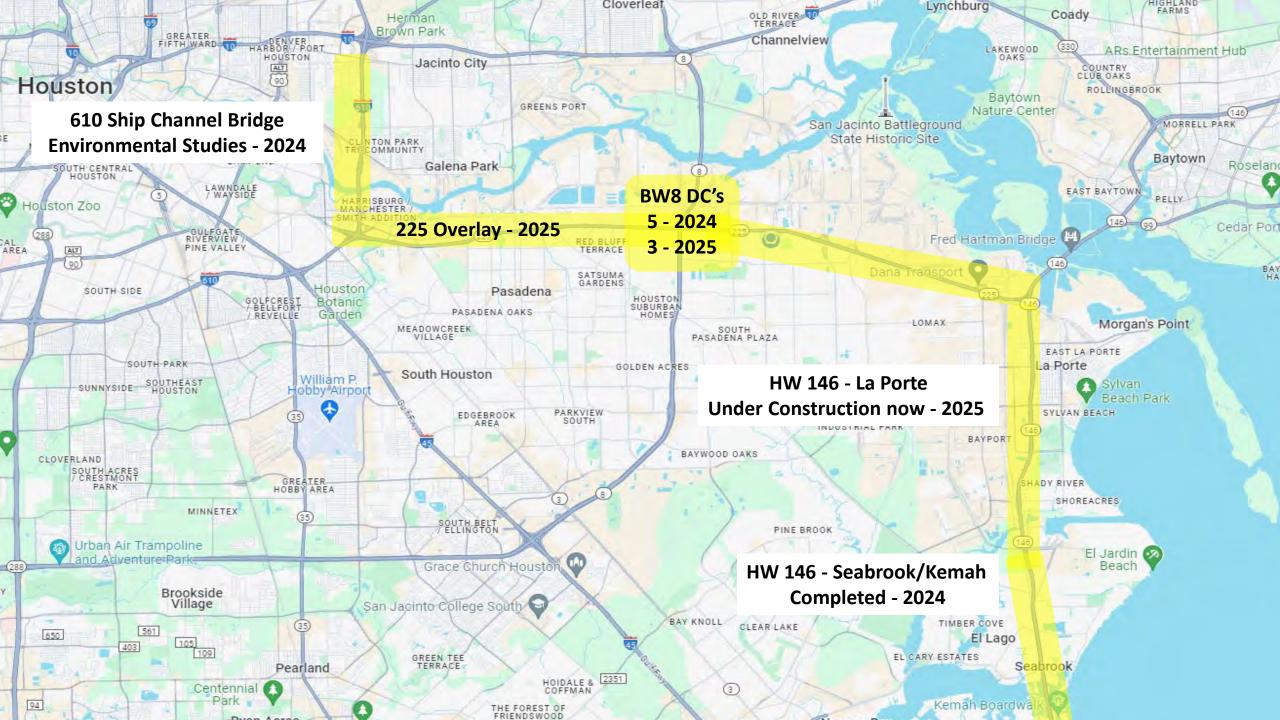




Facilitate economic opportunity through the acknowledgment of Port Houston's unprecedent growth that has made it the nation' busiest port.

Enhance the Houston Port region's \$50 billion in manufacturing expansions, Port Houston's \$1B commitment to widen and deepen the Houston ship channel, and state/local investment to construct the \$2B Beltway 8 bridge and expansion of SH146.





# TRANSPORTATION/INFRASTRUCTURE

# **Support Letters**

22

## Support letters were received to date for Alternative #5, Elevated Managed Lanes

City of Pasadena

City of Deer Park

City of Morgan's Point

City of South Houston

City of Baytown

City of Seabrook

City of Pearland

Port Houston

**Economic Alliance Houston Port Region** 

East Harris County Manufacturers Association (EHCMA)

ILA South Atlantic and Gulf Coast District

West Gulf Maritime Association (WGMA)

BayTran

American Council of Engineering Companies (ACEC)

**Galveston Economic Development Partnership** 

CenterPoint Energy

**BIC Alliance** 

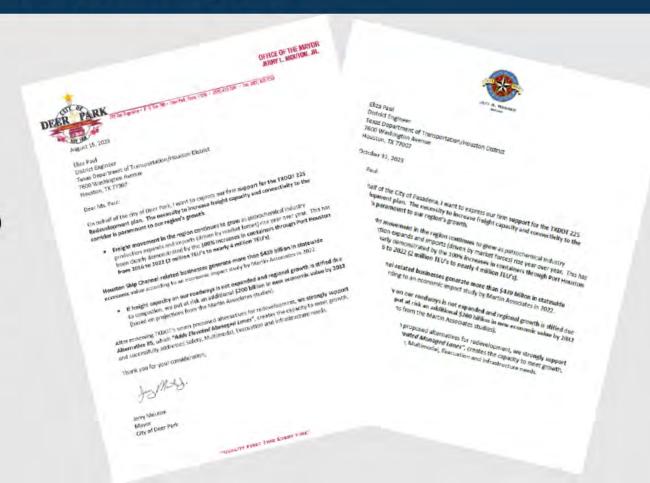
**Turner Industries** 

**LBC Tank Terminals** 

Tri Con Holdings, Inc.

Methodist Hospital - Clear Lake

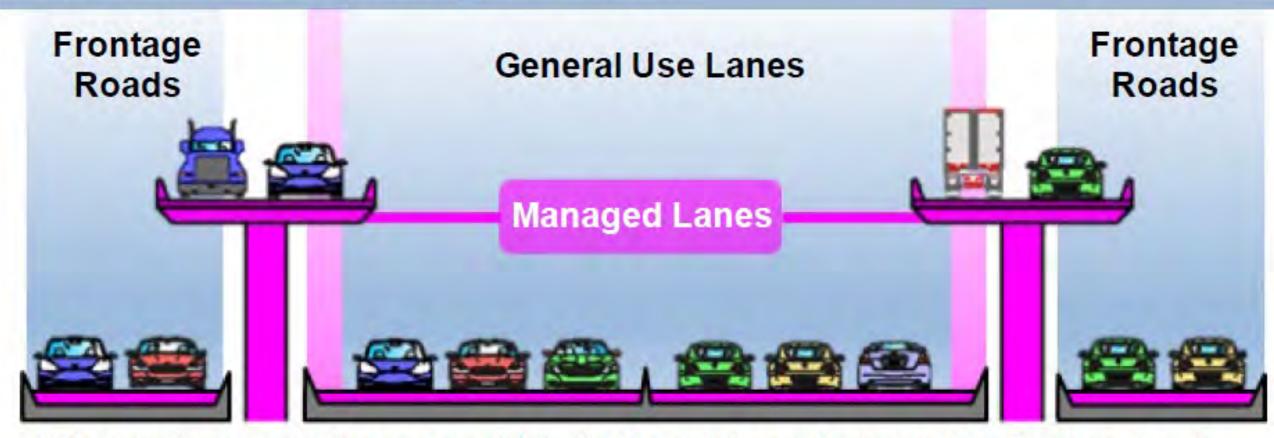
Lee College



# SH 225 - 610 PEL Study Expansion



# Add Elevated Managed Lanes



\*Elevated managed lanes could be in the center or between the frontage road and general use lanes.

# **Upcoming Major Projects in the PEL Study Area**



# I-610E Ship Channel Bridge

Agency: TxDOT

**Scope**: Development of the schematic design and environmental studies for the reconstruction and raising of the I-610E Ship Channel Bridge (Sidney Sherman Bridge).

Estimated Start of Schematic and Environmental Studies: Fall 2024

Estimated Construction Cost: \$2 Billion

# **Detailed Design**



# SH 225 and Beltway 8 Interchange

Agency: Harris County Toll Road Authority (HCTRA)

Scope: Development of the detailed design, specifications, and costs for constructing 8 director connectors at SH 225 and Beltway 8 in support of the HCTRA's Ship Channel Bridge Program.

Estimated Letting: Summer 2024

Estimated Construction Cost: \$310 Million

# **Detailed Design**



SH 225 Overlay

Agency: TxDOT

Scope: Re-paving of SH 225 from

Beltway 8 to East Boulevard.

Estimated Letting: Summer 2025

Estimated Construction Cost: \$11 Million



# WORKFORCE DEVELOPMENT

# **WORKFORCE DEVELOPMENT**

**DIRECTLY MARKET CAREER PATHS** and **JOB OPPORTUNITIES** to address attrition, skill enhancement, and demand **TO POTENTIAL JOB CANDIDATES**.

- Leverage partnerships with EHCMA and 9 community colleges to recruit and train a qualified workforce
- Filling a key role with industry partners in identifying and prioritizing the high-demand, high-paying careers



INDUSTRY NEED

CURRICULUM
DEVELOPMENT

MARKETING CAREERS

TRAINING PATH HIGH WAGE CAREER ECONOMIC
OPPORTUNITY &
EQUITY

# **WORKFORCE DEVELOPMENT**

**PREPARING THE NEXT GENERATION WORKFORCE** - To close the skilled worker gap and connect economic opportunities in the Houston Port region.

### **WORKFORCE DEVELOPMENT ACTIVITIES '23**

**ECONOMIC ALLIANCE WORKFORCE DEVELOPMENT ACTIVITIES '23** 

45

73

. .

5K

29

ком 1

STUDENTS

**VOLUNTEERS** 

COMPANIES

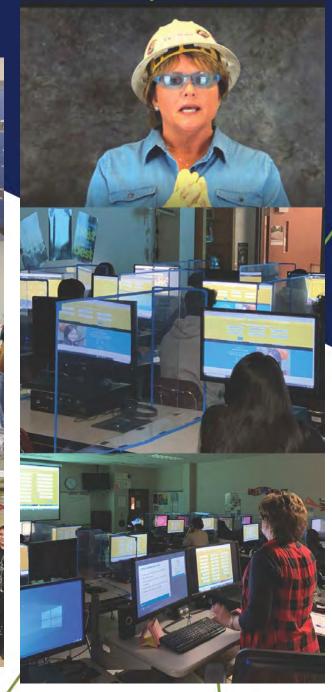
HOSTED 3 SUMMER EXTERNSHIPS - 8 MANUFACTURING DAYS WITH 8 COMPANIES/4 COMMUNITY COLLEGES

SINCE 2016
PROVIDED SCOPE OF
CAREER PATHS AND JOB
OPPORTUNITIES TO

54,000+

**STUDENTS** 







# **QUALITY OF LIFE**

# **QUALITY OF LIFE**

# **ECONOMIC ALLIANCE AND SAN JACINTO TEXAS HISTORIC DISTRICT PROVIDE MATCHING FUNDS** for Q of L projects.

#### TOTAL MATCHING FUNDS

S

U

4

U

4

Z

4

S

U

Ш

0

■ 9 projects/capital campaigns. Impacting residents/organizations located in Pasadena, Pearland, Morgan's Point, La Porte, Shoreacres and Precinct 2 at large.

#### BEAUTIFICATION/COMMUNITY **ENCHANCEMENT PROJECTS**

- Pasadena Mini-Murals on Signal Boxes
- Restoration of the Pearland Depot
- City of Morgan's Point Storage Tank Rehab/Logo
- La Porte Gold Star Families Memorial Monument
- Texas Memorial Illumination at San Jacinto Monument
- Shoreacres Gateway Flag Pole



- Dolly Parton's Imagination Library Various Elementary Schools in Precinct 2.
- The Imelda Assistance Fund Grant money to nonprofit organizations that provide services to individuals.
- The Bridge Over Troubled Waters (The Bridge) -
- Campaign to build a new center for children and youth of domestic violence victims.







78



# INSIGHTS/THOUGHT LEADERSHIP

# **INSIGHTS/THOUGHT LEADERSHIP**

VITAL POINT FOR KNOWLEDGE SHARING & THOUGHT LEADERSHIP -

Topics and issues relevant to industry along the Gulf Coast.

- **GULF COAST INDUSTRY FORUM**
- **ECONOMIC OUTLOOK**
- 2 INDUSTRIAL PROCUREMENT FORUMS -CONTRACTORS & OWNERS
- 3 WOMEN IN ALLIANCE LEADERSHIP LUNCHEONS
- HOUSTON PORT REGION SUPPLY CHAIN FORUM
- **SOUTHEAST TRANSPORTATION SUMMIT**
- LEGISLATIVE KICKOFF
- ANNUAL MEMBERSHIP BANQUET

11 EVENTS

3,700 ATTENDEES

340
AVERAGE
ATTENDANCE
PER EVENT





**KNOWLEDGE SHARING VEHICLES** 

PODC

10K+
RECIPIENTS PER
QUARTERLY ISSUE



Щ

33 PISODES

EPISODES PRODUCED

GULF COAST GROWTI SHOW



# **WOMEN'S LEADERSHIP LUNCH**

Platform to highlight exceptional women leaders and empower women in the Houston.

3 LUNCHES

**450**AVRG ATTENDEES

1400
TOTAL ATTENDANCE











# **GULF COAST INDUSTRY FORUM**

**ECONOMIC ALLIANCE'S LARGEST EVENT** of the year bringing industry, government, and community stakeholders.



**Gulf Coast Industry Forum** 

AN ECONOMIC ALLIANCE HOUSTON PORT REGION EVENT

800

**ATTENDEES** 

12

KERS &

SPEAKERS & PANELIST

45

**EXHIBITORS** 













# **SUMMARY**

# **VALUE OF ENGAGEMENT with EA**

## **Well-Connected Organization**



**NETWORK** – Provide contacts, resources and solutions to operations/memebers.



**VOICE** – A voice with invaluable connections to key decision makers.



VISIBILITY – Most sought-after region in the World for Petrochemical, Manufacturing, Maritime and Logistics operations.



IMPACT – Part of one of the most impactful business organizations in Texas



**INSIGHT** – Sharing knowledge/information and convening of industry leaders.

CAPTURING CAPITAL
INVESTMENT and MAKING THE
REGION GLOBALLY
COMPETITIVE



## San Jacinto College Maritime Training Center Overview

#### **Ed Horton**

Director, Commercial Maritime
San Jacinto College Maritime Technology & Training Center



## SAN JACINTO COLLEGE

## MARITME

## San Jacinto College Maritime Campus

2017 Aspen Rising Star Award
2019 Aspen Top 10 Finalist
2021 Aspen Finalist with Distinction
2023 Aspen Top 10 Finalist

San Jacinto College has an over 60-year tradition of serving the communities of East Harris County

- 5 Campuses
- 33,000 credit students
- 8,000 noncredit



## San Jacinto College Maritime Campus

2019 Bellwether Award recipient in Workforce Development

2021 and 2024 MARAD
Center of Excellence for
Domestic Maritime
Workforce Training and
Education



## San Jacinto College Maritime: Timeline

In 2006 conversations began. Three colleges were asked to be part of the solution, and San Jacinto College accepted the invitation.





2010









03/2016

2019

2014

## Maritime Campus

- Maritime Programs
  - USCG Commercial Training
  - AAS Degree & Dual Credit Cert
  - Apprenticeship
  - Customized Industry Training
- Fire Technology Programs
  - AAS Degree
  - Certificate Program
- Professional SimulationTraining & Research





## Maritime Campus



- 50+ USCG Approved Courses
- Over 16,500 USCG Approved
   Training Certificates Awarded
- Largest USCG Approved Training Provider by Courses Offered, Enrollments, and Certificates Awarded in the USCG Regional Exam Center Houston Area of Responsibility

## Partnerships

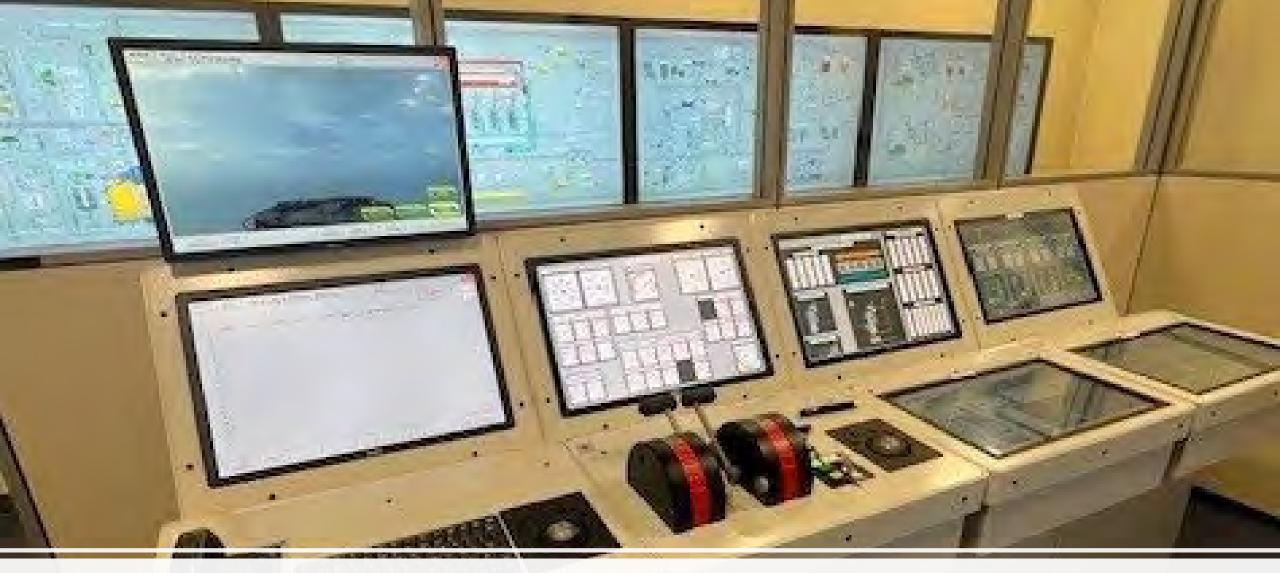
- AdvisoryCommittees
- Grants
- StudentInternships
- Donations & Support







**Three Vessel Bridge Simulators** 

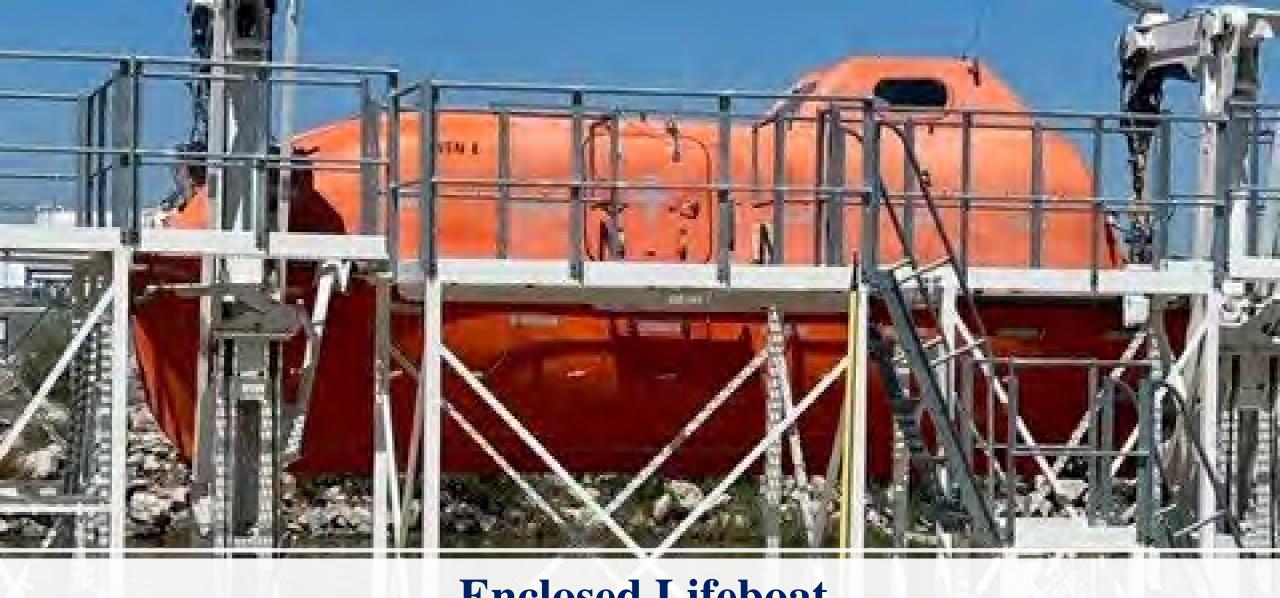


**Kongsberg Engine Room Simulator** 





## Maritime KFT Fire Trainer



**Enclosed Lifeboat** 



**Fast Rescue Craft** 



**Customized Workboat/Skiff** 



**Training Pool** 

## **Helicopter Survival Training**







## Questions



## Petrochem & Maritime Industries Economic Development Overview

**Chad Carson** 

Vice President

**Economic Alliance Houston Port Region** 



### **Port Houston and FTZ Overview**

#### **Rina Lawrence**

Economic Development Manager
Port Houston



# FOREIGN TRADE ZONES

**OVERVIEW** 



#### PURPOSE OF THE PROGRAM

Established in 1934 to promote, encourage and expedite commerce while creating jobs in the U.S.

- Part of effort to revitalize trade after the Smoot-Hawley
   Tariff Act of 1930 and the Great Depression
- Create jobs and investment in the U.S. that could otherwise take place overseas



## WHAT IS A FOREIGN TRADE ZONE (FTZ)?

What it's not: A FREE-Trade Zone.

Free-Trade zones are located <u>outside</u> the United States.

FTZs are <u>in</u> the U.S. and specifically tailored for companies looking to operate within the U.S. while still gaining duty advantages.



### FOREIGN TRADE ZONE (FTZ) DEFINED

- Designated area that is physically located in the United States but is *not* considered to be within the U.S. customs territory.
- Special areas where goods can enter then be stored, manufactured or re-exported without having to pay any duties.
- Established to facilitate international trade and encourage economic development in the United States.

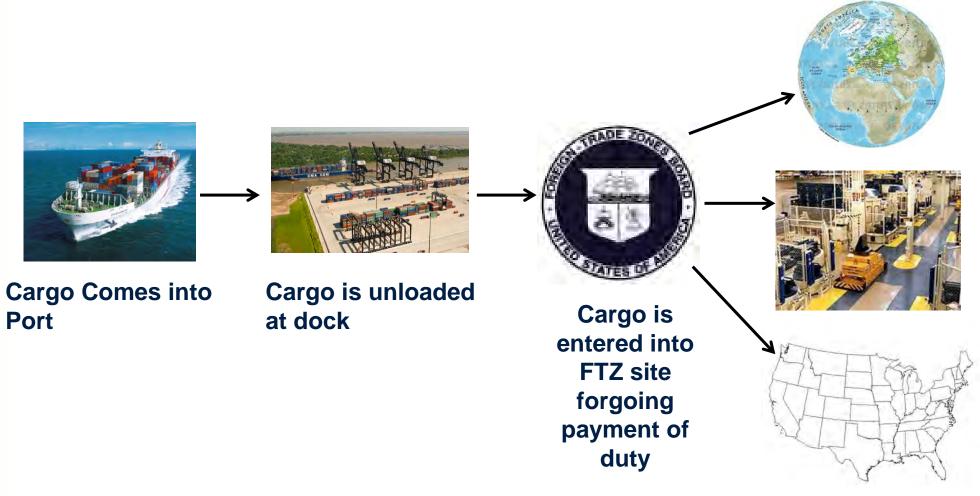


#### MAJOR BENEFITS

They save you money.



#### MAJOR BENEFITS



#### **DUTY DEFERRAL**

Cargo enters U.S. paying duty when it leaves FTZ

#### **DUTY REDUCTION**

Cargo is <u>manufactured</u> in FTZ pays lower duty when it leaves zone

#### **DUTY ELIMINATION**

Cargo is re-<u>exported</u> from FTZ, never paying duty

#### OTHER TAX SAVINGS

Inventory held in an FTZ for export may be exempt from state and local property taxes



#### OTHER NOTABLE COST SAVINGS BENEFITS

- Zone-to-Zone Transfers
- Inventory Control Efficiencies
- Ad Valorem / Inventory Tax Exemption
- Logistical Benefits:
  - Direct Delivery
  - Weekly Entry
    - Merchandise Processing Fees (MPF)



#### KEY PLAYERS

#### Who



**Foreign Trade Zone Board** (Dept. of Commerce & Dept. Treasury)



**Local CBP Office** 





**Zone Operators** 

**Zone Users** 

#### Role

FTZ Board is the overseer of the entire United States FTZ program

Provides day-to-day oversight of the program

- 3<sup>rd</sup> party entity that "sponsors" the zone, often a Port Authority, local government or EDC.
- Provides day-to-day oversight of the program
- Complies Annual Report & Zone Schedule
- Works with FTZ Board on New Applications
- A company that operates under Zone Status, within its own facilities for itself or for the account of others
- Private Companies
- Ensure compliance within their zone site
- Submit annual report

Companies using FTZ, either as an Operator or within an Operator's facility.



#### WHAT CAN YOU DO IN A ZONE?

#### Merchandise entering a Zone may be:

- Assembled
- Sampled
- Manufactured
- Salvaged
- Repackaged
- Mixed

- Tested
- Labeled
- Stored
- Processed
- Manipulated
- Destruction





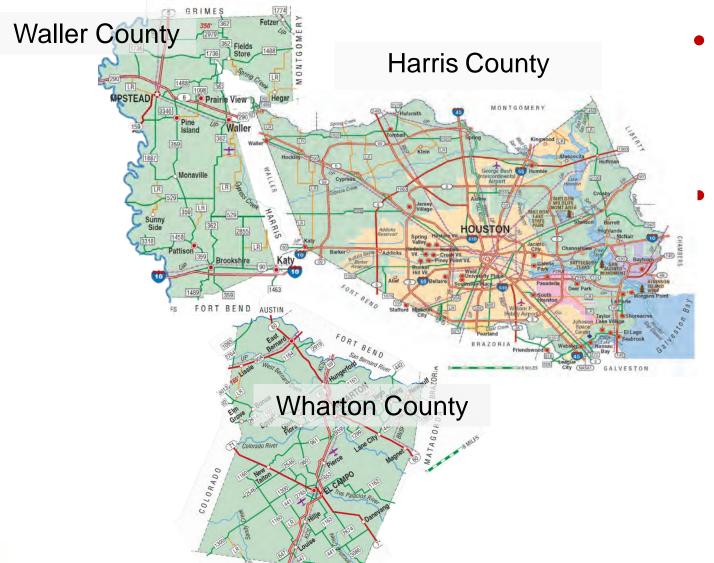


#### **ABOUT FTZ #84**

- Created in 1983
- Grantee: Port Houston
- CBP: Houston Seaport
- Service Area(s): Harris, Waller & Wharton Counties
- One of the Largest FTZs in the United States
- 75+ Active Zone Sites



#### FTZ 84 SERVICE AREA



#### Service Area = 3 Counties

 Harris, Waller and Wharton Counties

#### Port Location:

Houston, TX (Harris County)



## THANK YOU

#### **PORT HOUSTON**

- @PortHOU
- @port\_houston
- @Port\_Houston
- @Port Houston
- Port Houston

## Rina Lawrence Economic Development Manager rlawrence@porthouston.com 713-670-2576



## Thank you for attending!

