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### In this Edition...

Commercial/Office/Industrial  
Retail / Hospitality Development  
Residential Development  
Infrastructure News and Everything Else!

Bay Area Houston Economic Partnership (BAHEP) is a member-driven organization that provides leadership to stimulate regional economic development and employment in a range of industries such as specialty chemicals and plastics, advanced manufacturing, maritime, aviation, aerospace engineering, healthcare and biotechnology, and tourism. BAHEP partners with 300 member companies, 19 cities, Harris County, Houston Airport System, and Port Houston in southeast Texas to foster economic vitality through regional collaboration.

*Please feel free to pass this e-newsletter along to others who would enjoy it, and kindly credit Bay Area Houston Economic Partnership.*

## 2024 ... a Momentous Year in Review! Here are the highlights of what happened.

### Aerospace and Aviation

Construction will start in January 2025 for the \$200M Texas A&M Space Institute to be built next to **NASA's Johnson Space Center**. The four-story facility will be owned and operated by Texas A&M University. The Space Institute is being built on a 32-acre site, part of the 240 acres that Johnson Space Center freed up for further commercial development. [HBJ](#) [Comm Impact](#)

Austin-based American Center for Manufacturing and Innovation (ACMI) signed a lease for 207 acres of **NASA**-owned land; it will be known as the Space Systems Campus. This is the major portion of 240 acres of undeveloped land at **NASA Johnson Space Center** designated as Exploration Park. ACMI will be working with tenants and stakeholders to develop specialist capabilities that pair with those of the space center to advance the commercialization of robotics, autonomous systems and materials science as they apply to space systems. The parcel is near Saturn Lane, just outside of **NASA JSC's** controlled access area, adjacent to its main campus. The initial timeline targets a 2025 groundbreaking date with the first buildings available in early 2026. [NASA JSC](#) [HBJ 2](#)

Axiom Space filed for a \$1.2M renovation at a building they lease in **Webster**, the former Fry's Electronics at 21300 Gulf Fwy. The building is known as the Space Station Development Facility. This is still preliminary and subject to change.

Representatives from the Houston Airport System and also from Intuitive machines Inc. confirmed that Intuitive Machines will expand the capacity of its Lunar Production and Operations Center at the **Houston Spaceport** by 50%. Kansas City-based Burns & McDonnell will work with Intuitive Machines on the project; the company built the current lunar LPOC, which is owned by the city of Houston and leased to Intuitive Machines. [Houston Business Journal](#)

### Healthcare

Castle Biosciences broke ground on its new building in **Friendswood** at 1500 W. Parkwood Avenue. Plans call for 30,000 SF of retail space and another 80,000 SF of commercial space. Castle Biosciences will occupy two floors of the four-story building. The total cost of the project is \$107M. [Castle Biosciences begins building new HQ - Houston Business Journal](#)

HCA Houston Healthcare Clear Lake is in the beginning stages of a \$40 million, three-story expansion to the main building at 500 Medical Center Boulevard in **Webster**. This project will encompass 125,000 SF, bringing 60 new beds and 10 new delivery rooms to the facility. This expansion is set to be complete in late 2026.

Kelsey-Seybold opened its new 116,000 SF facility offering additional primary and specialty services at the Bay Area Campus in **Houston**, 1010 S. Ponds. The 32,000 SF cancer center will open in 2025 offering hematology oncology, infusion therapy, radiation oncology, and eventually PET and CT scanning.

UTMB purchased a total of 4.5 acres of land at the northwest and southwest corners of Live Oak and Orchard Street in **Webster**. More details will be available soon.

Work continues on **Friendswood** Community Hospital at 3201 FM 528. The hospital will have more than 25 physicians, 40 registered nurses, and 75 ancillary medical staff. There will be 12 beds for ER, three beds for critical care and five beds for in-patient care. [CommunityImpact](#)

Texas Oncology leased a 35,000 SF building, formerly Remington College, at the **Webster** Town Center. The location is 20985 I-45 South.

Shriners Children's Texas recently completed its new patient housing facility and parking garage in **Galveston**. The construction included a new state-of-the-art 40-unit housing facility.

Legacy Community Health clinic broke ground for its new 40,000 SF facility at 1951 Southmore Avenue in **Pasadena**. The two-story clinic is expected to open in 2025 offering services such as a full range of adult and pediatric primary care, obstetrics, and behavioral health.

Ground broke in **La Marque** for a new, \$13M health wellness center; it will be **Galveston County's** first stand-alone mental health crisis center.

## **Mixed-Use Development**

**Friendswood** City Center broke ground in April. This is the \$750M joint venture project that Tannos Development Group and Wolfgramm Capital are teaming up on. The development includes 150,000 SF of retail and restaurant space, 200,000 SF of medical office and office space, an apartment complex of 500 units, 150-room hotel and 5,000 SF convention center. [Bisnow](#)  
[CommunityImpact](#) [HBJ](#)

## **Manufacturing**

Orion S.A., formerly known as Orion Engineered Carbons, began construction on a plant that will produce acetylene-based conductive additives, a battery ingredient. The plant is being built in **La Porte** at 11811 Strang Road in the Battleground Industrial District. This plant will be the first of its kind in the U.S.; Orion is the sole producer of this product in the Western Hemisphere.

A liquified natural gas bunker port is proposed for Shoal Point in **Texas City**. If successful, the \$150M project could grow to \$250M. And there are other potential projects that are eyeing Shoal Point. Updates later!

## **More than 2.8M SF Planned or Under Construction - Business Parks for Industrial / Logistics / Distribution / Warehousing!**

A new 401,154 SF distribution center, Baywood Logistics, is being developed by The Avera Companies on 34 acres at 8920 Red Bluff Road just south of Genoa Red Bluff Road in **Pasadena**. Groundbreaking is the first quarter of 2025 with completion expected in the fourth quarter. [Houston Business Journal](#)

Construction began on Gauge Southgate in **Houston** at 13415 Conklin Lane on ~ 12.65 ac. Specs: 3 buildings totaling 192,660 SF. Expected completion is Q2 2025.

Pasadena Logistics Center is planned for 5176 Red Bluff Road on approximately 10.8 acres in **Pasadena** near Beltway 8. This new development is approximately 139,655 SF. Completion is scheduled for the first quarter of 2025.

Gulf Port Logistics Park is planned for 3105 Genoa Red Bluff Rd. in **Pasadena** near Beltway 8. Planned are five buildings: 22,800 SF, 24,500 SF, 28,000 SF, 31,250 SF and 50,252 SF. Completion is expected in summer 2025.

Planned is a 134,632 SF freezer warehouse on approximately seven acres in **Seabrook**. The property is near Old Highway 146 and north of Red Bluff Road. The development design phase is expected to take four to six months followed by the construction phase of 14 to 18 months.

Red Bluff Distribution Center, 161,700 SF, is planned at 5475 Allen-Genoa Rd. on approximately 10 acres. Completion is planned in the third quarter of 2025.

Port 225 Commerce Center is under construction on 26 acres in **Pasadena** at 307 and 315 Beltway Green Blvd. Completion is expected in November 2024 for two buildings, 128,999 SF and 355,071 SF.

Gulfbelt Logistics Park is planned on the northeast corner of the Gulf Freeway and Beltway 8 in **Houston** at 12524 Conklin Lane. Six buildings are planned: 278,864 SF, 88,749 SF, 122,813 SF, 97,135 SF, 115,883 SF and 240,400 SF.

Beamer Road Business Park will be under construction soon. The developer plans nine buildings along Beamer Road between FM 2351 and El Dorado Blvd. Two buildings are 10,000 SF, six of the buildings are 17,500 SF and one building is 22,750 SF. The buildings will be available in the second quarter of 2025.

Four more buildings are in the works for Rex Road Industrial Business Park in **Friendswood**; the location is just off Beamer Road, about two miles from the Gulf Freeway.

On a 3.695-acre site at 5815 Old Highway 146 in **Seabrook**, a warehouse facility of two 24,000 SF units is planned.

### **Tourism, Recreation and Destinations – Bay Area Houston is becoming a multi-day recreation destination!**

Andretti Indoor Karting & Games plans a 97,000 SF building on 10 acres at 1307 Jasmine Avenue in **Webster**. The venue will offer indoor go-karts, ropes courses, laser tag, mini-golf and arcade games.

Cosmic Air Adventure Park & Arcade opened at 19801 Gulf Fwy. in **Webster** at Center at Baybrook. It includes a trampoline court, ropes courses, slides, zip line, foam pits and arcade.

Altitude Trampoline Park (and dodgeball and basketball courts) leased 43,000 SF at 20810 Gulf Freeway in **Webster** – it's open!

Flyway in **Webster** - The 1,700-ft. Boardwalk overlooking Clear Creek is in development and should be complete in the first quarter of 2025. Great Wolf Lodge, a 532-suite resort hotel has opened and includes an indoor 95,000 SF water park. Chicken N Pickle and Vida Mariscos are open; PopStroke is being built on a 3.4-acre site at 110 Blue Heron Drive. Ambriza Social Mexican Kitchen plans to open its flagship restaurant at Flyway.

Waypoint 2 Space is in discussions to build a 35,000 SF training facility, called the Space Experience Center, at the new Exploration Park development adjacent to **NASA Johnson Space Center**. [Houston Business Journal](#)

The Edge in **Seabrook** is moving towards a January-February 2025 groundbreaking. Owners are working with possible tenants for restaurant space on the parcels that face SH 146. We'll keep you updated.

Work continues on the **Pasadena** Arena & Convention Center's \$50M renovation; the projected completion date is Fall 2025. Key features of the renovated and expanded center include a seating capacity of 7,500 for concerts and performances and a spacious arena for conferences and exhibitions – all with modern amenities and technology.

In **League City**, there is still discussion with a prospective developer for the city's entertainment district that would cover more than 2.2M SF where the Chester L. Davis Sportsplex now stands at the Gulf Fwy. and League City Parkway intersection (southeast corner). The project will feature a hotel and convention center, retail, office space, multi-family housing and parking.

Work is underway on the concert venue in **La Marque** at the site of the former Gulf Greyhound Park. The developer, JMK5 Holdings, has expectations for completion in the second quarter of 2025. VIP suites and cabanas, all Las Vegas-style, are in the works along with an additional 60,000 SF being built, that will accommodate 12,500 people.

Bids are going out for the Water Street development parking garage in **Dickinson**. The property is along the Gulf Freeway just south of FM 517. The \$87M project includes a boutique hotel, restaurants, townhomes, event center, office and retail.

A dual-concept Marriott hotel -- TownePlace Suites and Fairfield Inn -- will be built in **La Porte** on 13<sup>th</sup> Street on the west side of SH 146, in the same area as several other hotels. In fact, the developer of this Marriott is also building an 8,700 SF retail center in the middle of all the hotels and is actively seeking restaurants to serve the guests of the 435 hotel rooms.

A \$151M project at **Galveston's** Pier 16 includes a 165,000 SF terminal and \$55M parking garage. Construction began on the fourth cruise terminal at the Port; it will be home to MSC Cruises, a Switzerland-based cruise line and the world's largest cruise brand. It's believed that the Port of Galveston will cross the 2-million-passenger threshold in 2026. [HBJ](#)

### **Maritime ... record container activity at Port Houston!**

**Port Houston** looks to close 2024 as one of its most successful years to date, handling 3,799,573 TEUs through November—a 9% increase over the same period last year. Resins account for 45% of the Port's export volumes, underscoring Houston's role as the nation's top gateway for this essential commodity. The Houston Ship Channel complex and its more than 200 private and eight public terminals is the nation's largest port for waterborne tonnage and an essential economic engine for the Houston region, the state of Texas, and the U.S. The Port of Houston supports 1.54 million jobs in Texas and 3.37 million jobs nationwide, and economic activity totaling \$439 billion in Texas – nearly 20 percent of Texas' total gross domestic product (GDP) – and \$906 billion in economic impact across the nation. [www.PortHouston.com](http://www.PortHouston.com)

## **The expansion of these dynamic industries continues to drive population growth and real estate development.**

### **Residential development is robust in the Bay Area Houston region! Take a look at some of the game changers in 2024 ...**

Update on the planned Megatel development in **Santa Fe**: Tres Rios is a lagoon community planned for 1,056 acres to include 2,844 single-family homes and around 1,200 multifamily units. The property is south of FM 517, and most is south of Dickinson Bayou. Much of the land is in an ETJ and will be annexed as it's developed, per the development agreement which was signed in December. Tres Rios would connect via Tower Road to SH 6 to the south. Bay Area Boulevard would be extended from League City's Magnolia Creek subdivision south to FM 517. [Galveston Daily News](#)

Legacy has begun construction in **League City** – Planned on more than 700 acres in League City, the location is east of FM 528 and south of South Friendswood Drive. More than 1,600 homes will be built with approximately 500 in the first phase. Future amenities will be connected through 60 acres of waterways with launch areas for kayaks and paddle boards. Initial delivery of homesites is the first quarter of 2025. To improve mobility in the western portion of League City, the League City Parkway has been extended and now connects to Friendswood Lakes Blvd.

Two other planned-unit developments are also under construction in **League City**. Westland Ranch, a master-planned community on 974 acres on the city's west side, has opened. Around 1,500 homes will be built. The Duncan tract is also under development – approximately 3,600 lots. This area on the city's west side will see Segment B of the Grand Parkway begin construction during the first half of 2027; it will last about four years. To sum it up, there are **11,000** homes in various stages of development in League City!

In the single-family home pipeline in **Texas City**, more than 4,100 lots are in planning and pre-development. Master plans have been approved for 865 lots, and construction is underway or shovel-ready on 1,018 lots. On the east side of Lago Mar, the 287.5-acre Beacon Point development will include approximately 100 acres of commercial reserves.

Gulf Breeze, a residential project by developer Windy Hill, is moving forward in **Hitchcock**. Plans call for more than 700 homes to be built on FM 2004 on the west side of SH 6 near the former blimp base. There is land set aside for commercial development. Civil infrastructure will begin late spring / early summer. More details later.

### **Infrastructure**

The U.S. Army Corps of Engineers signed an agreement with the Gulf Coast Protection District for a partnership to design the Coastal Texas Project, better known as the Ike Dike. The district specifically will help with the design of the Galveston Bay Storm Surge Barrier System and Ecosystem Restoration feature. The federal government appropriated \$500,000 for the design work on the highly anticipated \$34.4B project which is meant to protect Houston and Galveston Counties from hurricane storm surges. The plans should be complete by October 2025, but when construction could start is unclear. [HouChron CommunityImpact](#) [GalvNews.com: Corps of Engineers signs design agreement for Ike Dike](#)

BAHEP is part of Facebook and Twitter, now X network, providing its members and followers yet another way to keep up with its activities.

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Check out our tweets at <https://twitter.com/BAHEP>.



Economic development doesn't happen by itself! If you would like to know more about how you can support our economic development initiatives and have the opportunity to work with the region's business leaders, please contact Membership Director Harriet Pilgrim at 832.536.3255 or [Harriet@bayareahouston.com](mailto:Harriet@bayareahouston.com).

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