



2013 Annual Report



LETTER FROM OUR CHAIR



Greetings friends and colleagues,

During the past year, as Pearland continued to emerge as an economic leader within the Houston region, the Pearland Economic Development Corporation (PEDC) unveiled a new mission statement confirming our commitment to enhancing the community's vitality. Our 2013 initiatives, activities and partnerships made significant progress toward that goal. PEDC recruited new employers to the community, assisted current local employers with expansions and continued spreading the message that the best business opportunity in Houston is due south.

As stewards of our taxpayers' dollars, PEDC continually seeks the highest return on investment possible for the community, and 2013 was no exception. PEDC engaged in diverse retention and recruitment efforts while continuing to maintain its high "A" S&P rating. These efforts included facility grand openings, such as Kelsey Seybold's administrative headquarters and Ref-Chem's new office building — two employers who expect continued growth within Pearland. Our partnerships with Memorial Hermann and HCA led to groundbreaking celebrations on Pearland's first two hospitals. Over the past year, PEDC's efforts and partnerships helped secure more than 600 jobs and \$109 million in capital investment for the community.

In 2013, PEDC championed a new strategic plan for the community, Pearland 20/20, and is leading its implementation. We are already seeing progress with key initiatives, such as establishing a management district for the 288 corridor, assisting with high-impact mobility projects and developing shovel-ready sites for future employers.

As we move into 2014, PEDC staff and the board of directors will continue working with the City and our many community partners to ensure Pearland remains prepared for a sustainable future rooted in continued population and economic growth. I look forward to the coming year's opportunities. Our efforts will not only position PEDC as one of the most effective and efficient economic development organizations in the nation, but more importantly, create new possibilities for Pearland and its residents.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles D. Gooden, Jr.". The signature is stylized and fluid.

Charles D. Gooden, Jr. - Chair



COMMITTED TO BUSINESS GROWTH

Dover Energy Selects Lower Kirby District for New Facility

Dover Energy, a division of diversified global manufacturer Dover Corporation, selected Pearland's Lower Kirby District for its new consolidated manufacturing and operations center. PEDC began working with Dover Energy in 2012 on plans to consolidate its multiple Texas locations into one regional facility. In June, we hosted a groundbreaking ceremony to kickoff construction on the 150,000-square-foot facility located on a 14-acre site at the northeast corner of Spectrum Boulevard and Hooper Road.

Scheduled for completion in early 2014, the facility will accommodate approximately 200 employees and is expected to pump \$23.8 million in investments to the community.

With this new facility, Dover Energy will become the newest employer in Pearland's Lower Kirby District, a

1,200-acre district located on the western border of Pearland facing south Beltway 8. Other developments in the Lower Kirby District include Bass Pro Shop, Cardiovascular Systems' medical device manufacturing facility and Merit Medical's new R&D and manufacturing facility.

Ref-Chem Opens New Office Facility

Ref-Chem, L.P., a heavy industrial construction, engineering, EPC and maintenance firm, opened a three-story, 39,000-square-foot office facility in September. PEDC recruited Ref-Chem to the community in 2012 when the company was looking for a new consolidated office location. Based in Odessa, Texas, Ref-Chem has annual sales exceeding \$100 million.

At this new facility, Ref-Chem employs approximately 100 management personnel, engineers, designers and administrative staff.

Aggreko, PLC

Aggreko, PLC, the world's largest supplier of temporary power generation, began a 6,000-square-foot expansion to its current Pearland facility on Magnolia Road in December.

Profile Wire

PEDC began working with Profile Wire more than four years ago to locate a site for its new manufacturing facility. In December, the company announced plans for a new 22,000-square-foot facility, located on a 3.7-acre site on Industrial Road. Construction is expected to begin in early

2014. A division of Zapp Precision Wire, Inc., Profile Wire manufactures high-grade stainless steel wire and other wire-fabricated products.

Base Pair Biotechnologies

PEDC assisted Base Pair Biotechnologies, a division of BioTex, Inc., with a relocation of its laboratory facilities to Pearland. The company, which develops biochemical components for new medical diagnostics and potential therapeutics, began leasing a 1,300-square-foot office space in December 2013 at Sunrise Lake Center on Broadway.



EXPANDED ACCESS TO HEALTHCARE

PEDC Welcomes Kelsey-Seybold

In October, PEDC, the City and the Pearland Chamber of Commerce joined Kelsey-Seybold in hosting a grand opening ceremony for its new administrative headquarters facility. The four-story, 170,000-square-foot office building has brought more than \$36 million in investments to the community.

PEDC and the City began working with Kelsey-Seybold more than five years ago on a site for this facility. It is located on an 18-acre site in Shadow Creek Ranch on the northeast corner of Kirby Drive and Shadow Creek Parkway. The facility is home to more than 800 employees who support Kelsey-Seybold's 370 physicians, who provide primary care and specialty care at more than 20 clinic locations throughout the region. With this grand opening, Kelsey-Seybold is now Pearland's largest private employer.

Memorial Hermann and HCA Break Ground on Pearland Hospitals

Memorial Hermann broke ground on its new Pearland medical campus in June. The new facility will include a one-of-a-kind convenient care center, scheduled to open in early 2014, that will provide one-stop, highly coordinated access to adult and pediatric primary care, specialty physicians, sports medicine and rehabilitation, and a 24-hour emergency room.

The centerpiece of the new Memorial Hermann medical campus will be a 64-bed acute-care hospital, which will open in 2015. It will feature an intensive care unit, operating rooms, cardiac catheterization labs, medical/surgical units, women's and neonatology services.

In September, Hospital Corporation of America (HCA) kicked off construction on its new Pearland Medical Center. The 144,000-square-foot, 30-bed, acute-care hospital will open in fall 2014 and feature surgical suites, medical/surgical beds, intensive care beds and a 24-hour emergency department. Imaging services will include magnetic resonance imaging, computerized tomography, a catheterization lab, echocardiogram testing and nuclear medicine modalities. The Center's new women's services will provide digital mammography, labor and delivery suites, Cesarean-section operating rooms and a newborn nursery.

Pearland Medical Center will be located at the southwest intersection of Highway 288 and Shadow Creek Parkway. This 48-acre site is currently home to a full-service, freestanding emergency department, imaging center and three-story, 80,000-square-foot medical office building.



PLANNING FOR PROGRESS

PEDC Helps Establish 288 Corridor Management District

In 2013, PEDC, the City and local commercial property owners created a Municipal Management District to improve aesthetics of the 288 corridor and the surrounding commercial areas. The Pearland Municipal Management District No. 2, which runs along the 288 corridor between Beltway 8 and County Road 59, will reinforce a positive image of the City and supplement public services by funding infrastructure, beautification, mobility/transportation, security and economic development projects along the corridor.

Legislation for the District was authored by Texas State Senators Larry Taylor and Rodney Ellis and was sponsored by Texas State Representatives Ed Thompson and Alma Allen. The bill was signed by Governor Rick Perry on June 14, 2013.

Following approval, the District elected officers and began developing a master plan for the corridor. During the November election, an initiative passed allowing the District to set a tax rate for 2014.

Extension of Business Center Drive

In October, PEDC, in partnership with the City of Pearland, Brazoria County and developer Parkside Capital, celebrated the completion of a \$7.2-million project to extend a four-lane segment of Business Center Drive from County Road 59 to Broadway. The extension, which provides access to 86 acres of undeveloped commercial property, offers alternative access to the Broadway/SH 288 interchange.

PEDC contributed an estimated \$2.6 million to the project, with a portion to be repaid by the City from assessments made on benefiting property owners.

A VISION FOR THE FUTURE

PEDC Champions New Strategic Plan for Pearland

In May, our strategic plan steering committee unveiled a community plan that addresses specific Pearland challenges and capitalizes on opportunities for continued economic growth. Known as Pearland 20/20, this action-oriented blueprint incorporates a wide range of economic development partners in government, education, healthcare and business.

Spearheaded in 2012 by a steering committee of 23 community leaders, the plan contains data

collected from focus groups, individual interviews and a community survey. These results were combined with key demographic and market data, competitive assessment findings, a target business analysis, and a best-practice community review and analysis.

The resulting economic development strategy consists of nine key initiatives designed to take Pearland to the next level of success as an economy and a sustainable residential location.



To view the entire plan and its key initiatives, visit www.pearland2020.com. As the plan moves into its implementation phase, this website will have ongoing updates.

PEDC MISSION STATEMENT

The Pearland Economic Development Corporation (PEDC) is committed to enhancing our community's economic vitality through the attraction, retention and expansion of primary employers. PEDC works to ensure our business climate and built environment strongly support these efforts by focusing on aesthetics, infrastructure, quality of life, image, workforce and quality development and redevelopment of key Pearland districts and corridors.

PEDC FINANCIALS

	FY 2013 YEAR-END ACTUAL	FY 2014 AMENDED BUDGET
OPERATING REVENUES		
Sales Tax	\$ 7,871,396	\$ 8,673,733
Interest Income	40,811	38,500
Miscellaneous	438,326	414,648
TOTAL	8,350,533	9,126,881
EXPENDITURES		
Operating	1,155,073	1,738,407
Incentives	784,450	2,794,889
Transfers Out/Intergovernmental	210,971	178,782
Infrastructure	2,249,646	0
Bond Payments	2,045,585	2,054,024
Inventory	0	5,000
Capital	0	48,000
TOTAL	6,445,725	6,819,102
NET CHANGE IN FUND BALANCE	1,904,808	2,307,779
FUND BALANCE - BEGINNING	13,461,695	15,366,504
RESERVE	3,707,011	5,481,196
FUND BALANCE - ENDING	\$ 11,659,492	\$ 12,193,087

The PEDC was created in 1995 as a nonprofit, Type B corporation under the Texas Development Corporation Act. It is primarily financed by a half-cent sales tax collected in the city of Pearland. State law allows the City to collect this sales tax to pursue specifically authorized economic development activities in the City.

The seven members of the PEDC's board of directors are appointed by and serve at the discretion of the Pearland City Council. The Corporation's annual budget is also approved by City Council.

OFFICERS AND DIRECTORS



Gooden Jr.



Patel



Fischer



Stevener



Idoux



Burnett



Dansby

Charles D. Gooden, Jr., *Chair*, joined the PEDC board in 2009. He previously served as vice chair of the Pearland Planning and Zoning Commission and vice chairman of commerce development for the Pearland Chamber of Commerce. Presently, Charles is chief operating officer at Charles D. Gooden Consulting Engineers, Inc.

Rushi Patel, *Vice Chair*, joined the PEDC board in 2009. He also serves as assistant vice president for the Pearland Municipal Management District No. 2 and was recently appointed to the board of trustees for the Pearland Medical Center. He previously served as president of the Pearland Adult Reading Center Board of Directors and as secretary/treasurer for the Pearland Chamber of Commerce. He is president of Okmar Enterprises, LLC.

Sheila Fischer, *Secretary*, joined the PEDC board in 2012 after previously serving on the Pearland Planning and Zoning Commission. Presently, she is a high-risk compliance consultant for the Financial Crimes Risk Management Group at Wells Fargo Bank.

Lucy Stevener joined the PEDC board in 2001 and previously served as chair for the Pearland Chamber of Commerce. She is the former co-owner of Pearland Animal Hospital.

Gary Idoux joined the PEDC board in 2006. He also serves as chairman for the Brazoria County Toll Road Authority and is a former chairman of the Pearland Chamber of Commerce. He has served as market president for Capital Bank in Pearland since 2002.

Jim Burnett joined the PEDC board in 2010. He previously served nine years as a city councilman in Sachse, Texas, representing that Council with TXDOT, the North Texas Tollway Authority and the North Central Texas Council of Government's Regional Transportation Authority. He retired in 2013, following a career in marketing communications and management, electronics distribution and global product-line specific manufacturing management for a leading international telecommunications company.

Brandon Dansby joined the PEDC board in 2011. He previously served as chairman of the Pearland Chamber of Commerce, board member for the Development Authority of Pearland and treasurer of Rotary Club of the 288 corridor. He is also a member of the Pearland Lions Club and currently serves as senior vice president of commercial lending for Lone Star Bank.

EXECUTIVE STAFF

Matt Buchanan, *President*

Carlos Guzman, *Vice President*

Melissa Black, *Director of Marketing*

Roxanne Luna-Larsen, *Office Coordinator*

Luis Núñez, *Redevelopment Manager*

EX-OFFICIO MEMBERS

Tom Reid, *Pearland Mayor*

Bill Eisen, *Pearland City Manager*

Carol Artz-Bucek, *Pearland Chamber of Commerce President and CEO*

Matt Buchanan, *PEDC President*



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