



## 2019 Annual Report



# LETTER FROM OUR CHAIR



Greetings friends, colleagues, and community partners,

Pearland has long been a community with a purposeful and forward-thinking approach to community and economic development, and 2019 saw another year of significant progress. Pearland Economic Development Corporation (PEDC) continued efforts to shape our community's future, working toward economic growth and diversification, and ensuring Pearland remains a community of choice in Greater Houston.

In 2019, PEDC partnered with companies to bring more than 80 new jobs and \$14 million in investment to the community. We welcomed Endress+Hauser and Energy Rental Solutions to Pearland and assisted Lonza, Dover Energy, CobbFendley, and other local employers with expansions.

As we entered the final year of our Pearland 20/20 Community Strategic Plan, we worked with local partners to make significant progress on many of the plan's key initiatives, including economic development marketing, corridor beautification and infrastructure projects. The year also saw the completion of the State Highway 35 streetscaping project, the beginning of a development plan for FM518/Broadway, infrastructure improvements in the Lower Kirby District, and the preparetoloveit.com brand hub for our community marketing campaign.

To keep us headed down the road to success, PEDC championed a new holistic economic development strategic plan in 2019. Known as Pearland Prosperity, this plan will guide the collective actions of the PEDC and its partners in the coming years.

As we look toward the opportunities that 2020 will bring, the PEDC board of directors and staff will work to sustain our position as one of the most effective and efficient economic development organizations in the nation. With the Pearland Prosperity plan guiding the way, we will continue to work with the city and other community partners to ensure Pearland remains prepared for future population and economic growth. We will strive to create new possibilities for the city and its residents, while always reinforcing our message that the best business opportunity in Houston is due south.

Sincerely,

A handwritten signature in dark ink, appearing to read 'H. Patton', with a stylized flourish at the end.

Dr. Hugh Patton  
Chair, PEDC

Should you have any questions, comments or concerns regarding this report, please contact the PEDC at 281-997-3000 or [info@pearlandedc.com](mailto:info@pearlandedc.com).



## PEARLAND PROSPERITY

As our community continues to grow, it is essential that we have a strong economic development vision to guide its development. In 2019, leaders in Pearland embarked on a collaborative community and economic development strategic planning process to make the community a more prosperous, successful, and vibrant place to live, work, and do business.

Guided by a diverse steering committee comprised of public, private, and non-profit leaders, the resulting Pearland Prosperity strategic plan is holistic, actionable, measurable, and will guide the community's collective actions by addressing challenges and capitalizing on opportunities.

The plan contains data collected from focus groups, individual interviews, and a community survey. These results were combined with key demographic and market data, community assessment findings, and an implementation assessment of the Pearland 20/20 strategic plan.

To complement the strategic plan, implementation guidelines were also developed to define how our community can achieve the plan's objectives.

The plan was completed in December 2019 and adopted by the PEDC board in January 2020. City Council approved the plan in February 2020.

To view the entire plan, visit <http://www.pearlandprosperity.com>  
As the plan moves into its implementation phase, this website will be continually updated.

At the center of the Pearland Prosperity framework are two community goals that broadly identify the desired outcomes of Pearland's holistic economic development effort:

### 1. *Economic Growth & Diversification:*

Provide opportunities for residents to prosper and enhance Pearland's fiscal sustainability through a holistic approach to economic development.

### 2. *A Community of Choice in Greater Houston:*

Ensure Pearland's quality of life and quality of place continue to attract and retain diverse individuals and families.

These goals can be pursued through a number of strategic initiatives grouped into seven, high-level focus areas: Business Development, Business Formation and Early-Stage Growth, Site Development, Corridors, Infrastructure and Mobility, Quality of Life and Quality of Place, Workforce and Talent.





## CONTINUED PROGRESS IN LOWER KIRBY DISTRICT

### Dover adds Innovation Lab to Pearland facility

Dover Precision Components, an integrated provider of performance-critical solutions for rotating and reciprocating machinery, broke ground on a new innovation lab in September. The nearly 12,000-square-foot building is being constructed directly north of the company's Pearland operations facility in the Lower Kirby District.

PEDC recruited Dover to Pearland in 2013 and the company constructed a 150,000-square-foot manufacturing and operations center on a 14-acre site on the corner of Spectrum Boulevard and Hooper Road.

The new innovation lab, scheduled for completion in the second quarter of 2020, will house test rigs, allowing R&D engineers to develop new application solutions and conduct product performance testing under demanding operating conditions.

### Endress+Hauser breaks ground on new facility in Lower Kirby District

Endress+Hauser, a leader in the field of measurement technology for industrial process engineering, broke ground on its new Gulf Coast Regional Campus in March. The Swiss-based company manufactures instrumentation and devices that provide solutions to more than 100,000 customers worldwide. PEDC assisted with the project and began working with the company on its relocation in early 2018. The 100,000-square-foot facility will be located on a 17-acre site at the southeast corner of Beltway 8 and Kirby Drive. It will include an area for calibration and repair, as well as feature office and training space. The new facility will be home to approximately 110 employees when it opens.







### Lonza expands Pearland campus

In April 2018, Lonza opened the world's largest dedicated gene and cell therapy manufacturing facility in Pearland's Lower Kirby District. The 300,000-square-foot facility, currently employing 350, continues to grow. The company had multiple expansions in 2019, including the construction of additional parking and laboratory space. The new laboratory encompasses 10,000 square feet and will be used to process new products and will also allow Lonza to employ more technicians.

Construction also began on additional clean rooms and is in the planning stages for another six to be completed in 2020. In addition, Lonza also acquired a 19-acre parcel of land south of the current facility for possible future growth.

# PEARLAND 20/20 COMMUNITY STRATEGIC PLAN

In 2012, PEDC embarked upon a long-term, strategic, community and economic development planning process in tandem with local partners in government, education, healthcare, and business. The goal was to create a shared vision for the community's future growth and an action plan to achieve it. The resulting Pearland 20/20 Community Strategic Plan, adopted in 2013, contained nine initiatives designed to take Pearland to the next level of success as an economy and sustainable residential location:

1. Design and implement an enhanced economic development marketing program.
2. Implement multiple, high-impact mobility projects.
3. Optimize the development potential of Pearland's principal commercial corridors and character districts.
4. Make Pearland a more competitive recreation and cultural destination for residents and visitors.
5. Improve Pearland's aesthetics through strategic community beautification and gateway efforts.
6. Implement plans to develop the Lower Kirby Urban Center as Pearland's most intensive mixed-use employment, residential, and entertainment district.
7. Construct a multi-use events center in Pearland.
8. Advance local education and workforce development pipelines in Pearland.
9. Develop an internal marketing campaign to increase awareness and promotion of Pearland and its assets.



Each initiative was comprised of a variety of detailed sub-actions.

As we entered the final year for the Pearland 20/20 Community Strategic Plan, PEDC and community partners continued implementation efforts, making progress on many key initiatives.







## State Highway 35 corridor enhancements completed

In October, construction was completed on the SH 35 Entryway and Corridor Enhancements project. Part of the SH 35 Redevelopment Strategy that was derived from the 20/20 Community Strategic Plan, it focused on enhancing the entryway at Beltway 8 by placing two Pearland entryway monument signs near Clear Creek, planting canopy trees along the medians, enhancing pedestrian areas at major intersections, and framing the roadway with smaller street trees along the right-of-way. The project, which provided the “big picture” actions needed to encourage more investment in the corridor, was funded and will be maintained by PEDC.

## 288 corridor beautification efforts continue

With construction of the managed toll lanes along the 288 corridor nearing completion in both Harris and Brazoria Counties, PEDC, the city, and Pearland Municipal Management District No. 2 (PMMD2) continue to implement the 288 Corridor Master Improvements Plan. In 2019, the PEDC board approved agreements for median enhancements and plant procurement along the corridor. Additional aesthetic improvements will be added after the entire toll lane construction is complete. These include enhanced landscaping, lighting, artistic sculptures, detention ponds with large fountains, irrigation, and gateway signage. All improvements are scheduled for completion in 2021.



## PEDC begins development plan for Broadway Corridor

In mid-2019, PEDC began the creation of a Broadway Corridor Development Plan. A key strategy in the Pearland 20/20 Strategic Plan was to optimize the development potential of Pearland’s principal commercial corridors. Creation of a FM 518/Broadway master development plan was the highest ranked priority by the steering committee.

The plan will focus on the 6.2-mile segment of the corridor from SH 288 to SH 35, which will be reconstructed and widened by the Texas Department of Transportation (TXDOT). The design phase for the reconstruction will commence in early 2020 once an environmental study is completed. The PEDC’s plan will be on facilitating and planning for the impact of the proposed reconstruction, including mobility and effect on existing businesses.

## LOWER KIRBY REGIONAL DETENTION SYSTEM CONSTRUCTION



### Continued infrastructure improvements in Lower Kirby District

PEDC, the city, the Lower Kirby Pearland Management District (LKPMMD), and the Pearland Municipal Management District #1 (PMMD1) progressed with infrastructure improvements in the Lower Kirby District. PEDC funded the city's portion of the improvements.

Construction began on the extension of South Spectrum Boulevard in April 2019. The roadway was extended to Kirby Drive from its existing terminus just west of 288 and is scheduled for completion in early 2020. The project is being implemented and funded by LKPMMD and PMMD1 with partial funds from America Modern Green and PEDC.

America Modern Green is developing the Ivy District at the southwest corner of South Spectrum Boulevard and the SH 288 frontage road in the Lower Kirby District. The planned development is proposed to include offices, a continuing care retirement center, retail, condominiums,

townhomes, and apartments. Infrastructure work was completed in 2019, including water and sewer lines, as well as road and storm sewer construction. The 2020 construction phase includes the public park and amenities surrounding the lake, including a trail, which will serve active and passive recreation needs of those who live, work, or visit within the District, and a pedestrian bridge across Clear Creek. PEDC and the developer are partnering to finance the public park improvements. Development of buildings should begin in 2020.

All of these improvements continue to transform the 1,200-acre Lower Kirby District into Pearland's most diverse, mixed-use employment, residential and entertainment part of the city.



## New gateways and entry features completed

In 2019, PEDC completed construction on the gateway entries at State Highway 35 and the eastern city limit on Broadway. Multiple entryway signs and corridor enhancement projects have already been completed on Cullen Parkway, Pearland Parkway, Dixie Farm Road, and Kirby Drive. The next entryways to be constructed will be along the State Highway 288 corridor after the completion of the managed toll lanes.

## PEDC continues efforts to bring multi-use event center to Pearland

A feasibility study conducted by PEDC in 2017 determined that an indoor amateur sports facility would be best suited in our market. The following year, PEDC analyzed the facility's development potential and issued a Request for Qualifications seeking submissions from firms to help develop and operate a new indoor sports facility.

In early 2019, PEDC worked with Sports Facilities Advisory, LLC, to develop a detailed facility program plan that includes a construction and start-up cost estimate that is "right-sized" to the market and to Pearland's budget. It also includes an institutional-grade financial forecast for the facility, featuring detailed revenue and expense breakdown and other details. The operating pro-forma was presented to City Council in June, which recommended postponing the project.

## PEDC continues work on Pearland marketing campaign

One of the nine key strategies in the Pearland 20/20 Community Strategic Plan was to develop an internal marketing campaign. PEDC formed a steering coalition of community influencers tasked with creating a campaign to promote Pearland and its assets. In 2019, we developed campaign branding elements – including messaging narratives, brand attributes, and other creative elements (i.e., fact sheets, infographics, and videos) – that can be used in both internal and external communications. The brand hub – [preparetoloveit.com](http://preparetoloveit.com) – launched in November 2019. The implementation and media plan for the campaign is expected to launch in early 2020.



**BROADWAY GATEWAY**



# BUSINESS RETENTION AND ATTRACTION PROJECTS



## **CobbFendley announces Pearland office expansion**

In December, Cobb, Fendley & Associates, Inc. announced expansion of its Pearland office. The civil engineering and surveying firm has offices in Texas, Arizona, New Mexico, Colorado, Utah, and Florida.

CobbFendley opened its Pearland office on the east side of the city in 2012 with three full-time employees in a 1,608 square-foot leased space. Today, the company is located at 1920 Country Place Parkway and has expanded three times over the last seven years. The latest expansion now has CobbFendley leased in a space of more than 11,000 square feet with room for a total of 36 full-time employees.

## **Energy Rental Solutions constructs headquarters facility**

Energy Rental Solutions (ERS), a Caterpillar dealer dedicated to the specialty rental business, celebrated the groundbreaking of its new headquarters in Pearland in March. The 40,000-square-foot building includes office and warehouse space and is located on a 12-acre site on Rice Drier Road and State Highway 35. The facility was completed in late 2019 and is home to approximately 55 employees, including executive management, sales, operations, administrative, service technicians, and warehouse personnel. PEDC and city officials began working with ERS in 2017 on the project.

The site ERS selected is part of the 18-acre Rice Drier Commerce Park, a development located in the area identified as Business Park North in the State Highway 35 Redevelopment Strategy. PEDC and the city partnered with the developer to improve drainage in the area, and PEDC is currently funding the reconstruction of Rice Drier Road.

## **Keystone Engineering Group announces construction of headquarters and manufacturing facility**

Keystone Engineering Group, a multi-disciplined engineering consulting firm with more than 300 employees and locations in Texas and Louisiana, announced in February 2019 that it will construct a headquarters and manufacturing facility in Pearland. The company will build immediately west of Kemlon's facility on State Highway 35. The 45,000-square-foot facility will include office, manufacturing, and warehouse space and will be home to approximately 40 employees. PEDC began working with the company on its relocation in 2014, however the project was put on hold in 2015.

## **Wilmar Oleo North America expands Pearland Operations**

Wilmar Oleo North America, a subsidiary of Wilmar International based in Singapore, is a leading agribusiness in Asia. In 2008, the company opened a U.S. office in Pearland that houses sales and administrative functions for its primary product, palm oil. In 2015, Wilmar moved the office to the Pearland Town Center and currently leases 5,280 square feet.

PEDC worked with Wilmar on the move. The company recently renewed its lease with the Town Center and made a commitment to expand its workforce. With new sales, administrative, and logistics personnel, Wilmar now has 25 employees.



# 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 2019 YEAR-END ACTUAL	FY 2020 AMENDED BUDGET
<b>OPERATING REVENUES</b>		
Sales Tax	11,071,887	11,354,116
Interest Income	693,460	250,000
Intergovernmental	12,000	12,000
Miscellaneous	1,033,400	1,127,000
<b>TOTAL</b>	<b>12,810,747</b>	<b>12,743,116</b>
<b>EXPENDITURES</b>		
Operating *	2,131,116	2,712,617
Incentives	1,226,230	2,408,890
Transfers for Operation to City	8,029,868	15,748,979
Infrastructure	472,319	317,000
Inventory	0	5,000
Bond Payments	11,307,132	291,300
<b>TOTAL</b>	<b>23,166,665</b>	<b>21,483,786</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>10,355,918</b>	<b>(8,740,670)</b>
<b>FUND BALANCE - BEGINNING</b>	<b>27,132,823</b>	<b>16,776,905</b>
<b>FUND BALANCE - ENDING</b>	<b>16,776,905</b>	<b>8,036,235</b>

\*Operating expenditures include salaries, supplies, rent, marketing and strategic plan implementation services.

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 Pearland.

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



Patton



Chavarria



Wendell



Dansby



Thumann



Lyle



Johnson

**Hugh Patton, DDS, Chair**, joined the PEDC board in 2014 and is the owner of Silver Creek Dental. A member of the Pearland Lions Club, he previously served as its president. Other board memberships include the 100 Club of Pearland, Texas First Bank Business Development Board, and the Training Advisory Board for the Pearland Police Department. He is also a RISE mentor for Pearland ISD, a member of the Pearland Alvin Go Texan Committee, and regional team leader for the American Dental Political Action Committee.

**Mona Chavarria, Vice-Chair**, has been a PEDC board member since 2014 and is the president/owner of A&A Cleaning Services in Pearland. A member of the Pearland Rotary Club, she also serves as its treasurer. Other board service includes the Pearland ISD Education Foundation, the Silverlake Lions Club, and the City of Houston Mayor's Literacy Task Force. She was also the past chair and treasurer/secretary of the Pearland Chamber of Commerce, as well as president, vice president, and treasurer for the Adult Education Center.

**Reid Wendell, Secretary**, is the vice president of Commercial Banking for Frost Bank. A PEDC board member since 2015, he also belongs to the Pearland Lions Club and is a Houston Livestock Show and Rodeo committee member. Other volunteer activity includes representing Pearland ISD as a RISE mentor and serving on the scholarship committee for the Positive Coaching Alliance.

**Brandon Dansby**, joined the PEDC board in 2011 and currently works as senior vice president for Pearland State Bank. He is also a member of the Pearland Lions Club, as well as a board member for the Lighthouse of Houston and Pearland YMCA. Previous volunteer positions include chair of the Pearland Chamber of Commerce and Development Authority of Pearland board member.

**Chad Thumann**, is president of Sideline Investments, LLC and has been a PEDC board member since 2018. He currently serves as vice president of the Pearland Lions Club, a commissioner for Brazoria County Emergency Services District No. 4, a board member for the Forgotten Angels Foundation, and a member of the bond oversight committee for Pearland ISD.

**John Lyle**, vice president of operations for Kelsey Seybold Clinic, became a PEDC board member in 2018. He is also a board member for the Shadow Creek Ranch Commercial Property Association. Previously, Lyle served as chair of the Pearland Chamber of Commerce.

**Antonio Johnson**, is the regional rehabilitation director for Cantex Continuing Care Network. A new PEDC board member in 2019, he also volunteers as a YET mentor with Alvin ISD and coordinates community services activities in Pearland as a member of Kappa Alpha Psi Fraternity, Inc.

*PEDC staff and leadership express their sincere appreciation to outgoing board member Rushi Patel for his service on the board and to our community.*

## EXECUTIVE STAFF

Matt Buchanan, President  
Brian Malone, Vice President  
Melissa Black, Director of Marketing  
Valerie Marvin, Senior Development Manager  
Jess Byerly, Development Manager  
Roxanne Luna-Larsen, Office Coordinator

## EX-OFFICIO MEMBERS

Tom Reid, Pearland Mayor  
Clay Pearson, Pearland City Manager  
Carol Artz-Bucek, Pearland Chamber of  
Commerce President and CEO  
Matt Buchanan, PEDC President



[WWW.PEARLANDEDC.COM](http://WWW.PEARLANDEDC.COM)

FORGET BUSINESS FRIENDLY, WE'RE BUSINESS OBSESSED

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