

# Houston

REGIONAL ECONOMIC  
DEVELOPMENT ALLIANCE

Tuesday, September 24, 2024



# Attendee Introductions

## Casey Schrade

Director, Regional Economic Development  
Greater Houston Partnership



# Welcome Remarks

**Stephanie Wiggins**

HREDA Chair and

Chief Economic Development Officer, Partnership Lake Houston

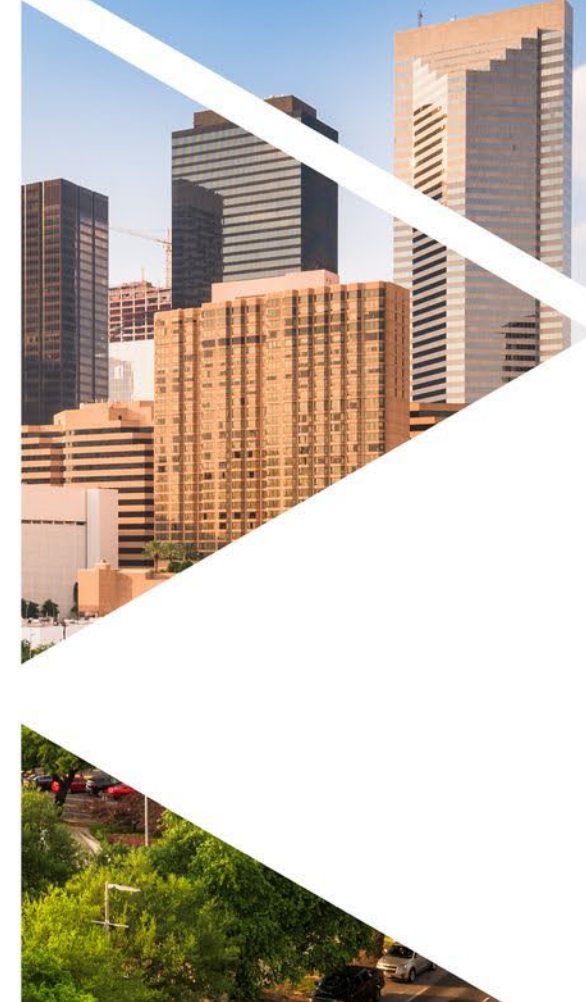


HREDA's Regional Strategy and Playbook won **IEDC's Bronze Award** for Regional Collaboration or Cross-Border Partnership



# Regional Project Pipeline Updates & Discussion

Craig Rhodes  
SVP, Economic Development  
Greater Houston Partnership



# 2024 Economic Development Wins

By the Numbers

22 Projects  
3935 New Jobs

\$1.02 Billion Capex  
Domestic - 6 Int'l - 16

## Energy Transition



## Manufacturing



## Energy



## Life Sciences



## Aerospace & Aviation



## Logistics



# Economic Development

## New Announcements



**TMEIC Americas**, a Japanese manufacturer of solar panels, is relocating their US headquarters from Roanoke, VA to Houston, and opening a manufacturing facility in Brookshire. Between the two phases, the project will create **300 jobs with \$30M in capital expenditures.**

"We are excited to make these investments for an expanded presence in the Houston area with the relocation of our headquarters and the opening of our new manufacturing facility"

"This strategic expansion underscores TMEIC's dedication to the renewable energy industry, advancing clean energy technology, maintaining strong client relationships, and competing on a global basis while proudly manufacturing in the United States."

**Manmeet S. Bhatia,**  
**President and CEO**  
**TMEIC Corporation Americas.**

August 20, 2024

# Solar Economic Development Wins

2023-2024 TOTALS  
2,353 New Jobs  
\$367.5 Million Capex



Jobs: 500  
Capex: \$60 Million



Jobs: 200  
Capex: \$35 Million



Jobs: 450  
Capex: \$150 Million



Jobs: 300  
Capex: \$30 Million



Jobs: 135  
Capex: \$25 Million



Jobs: 70  
Capex: \$5.5 Million



Jobs: 300  
Capex: \$35 Million



Jobs: 348  
Capex: \$30 Million



Jobs: 50  
Capex: \$2 Million



"We have been moving the company's employee base to Houston for a long time. This is another step on that journey. We're doing that because it's going to drive better performance for Chevron."

"We've been doing that because California is a tough place to do business," he said. "It's a **tough place to recruit people**. It's a **tough place to move employees**."

"I will tell you, **in Texas, we're welcome**. Our industry is **welcome**. This is where a lot of our competitors are, a lot of our suppliers, a lot of the people we do business with are here. It's easy to **walk across the street and talk to somebody that you're doing business with**. The policies are welcoming of energy companies. And quite frankly, it's lower cost of living, and it works well here."

Andy Walz  
President, Americas Products  
Chevron

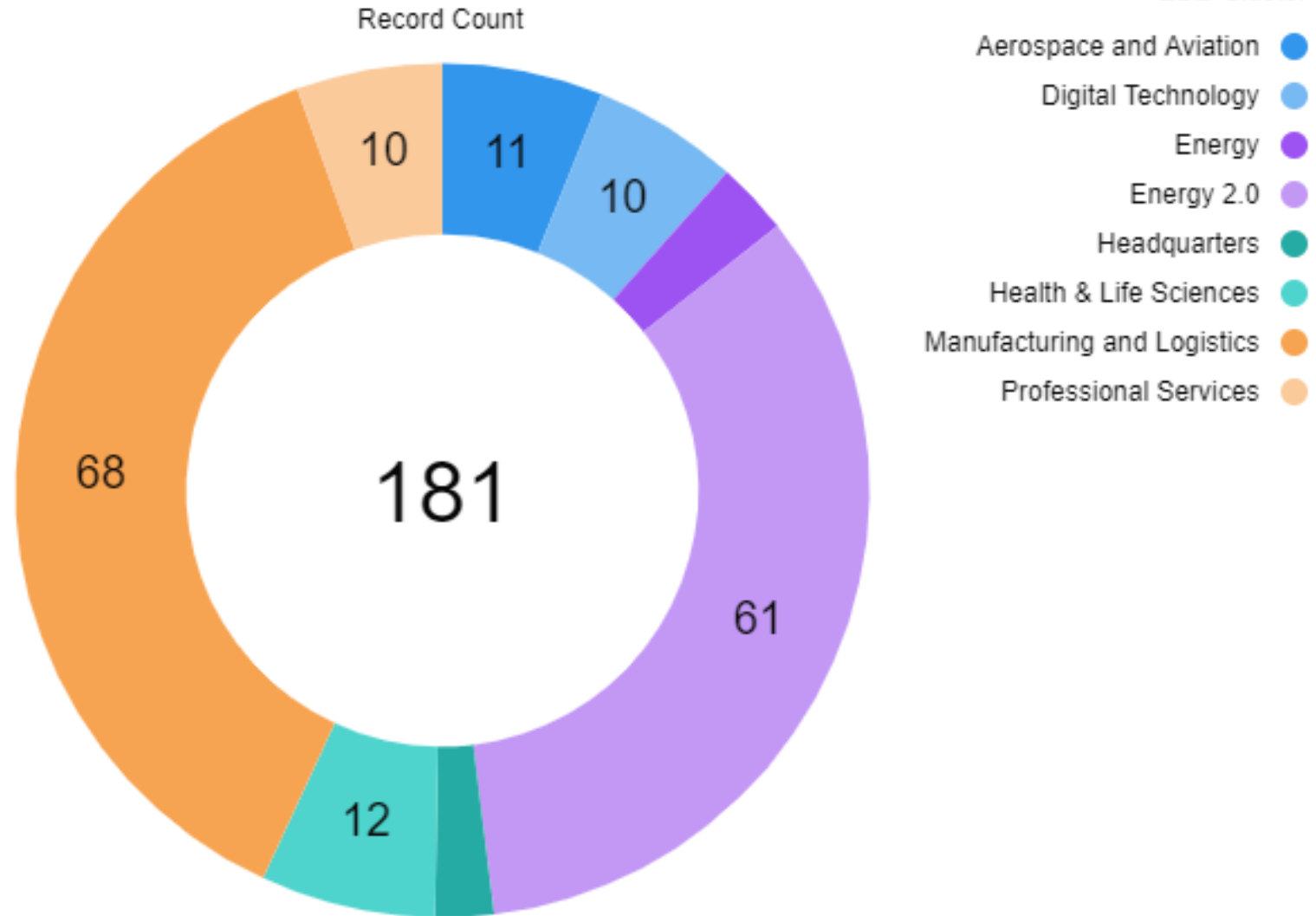
# Chevron Relocates HQ to Houston



August 2, 2024

# EDD Update: 2024 Project Pipeline

EDD Open Projects - By Cluster

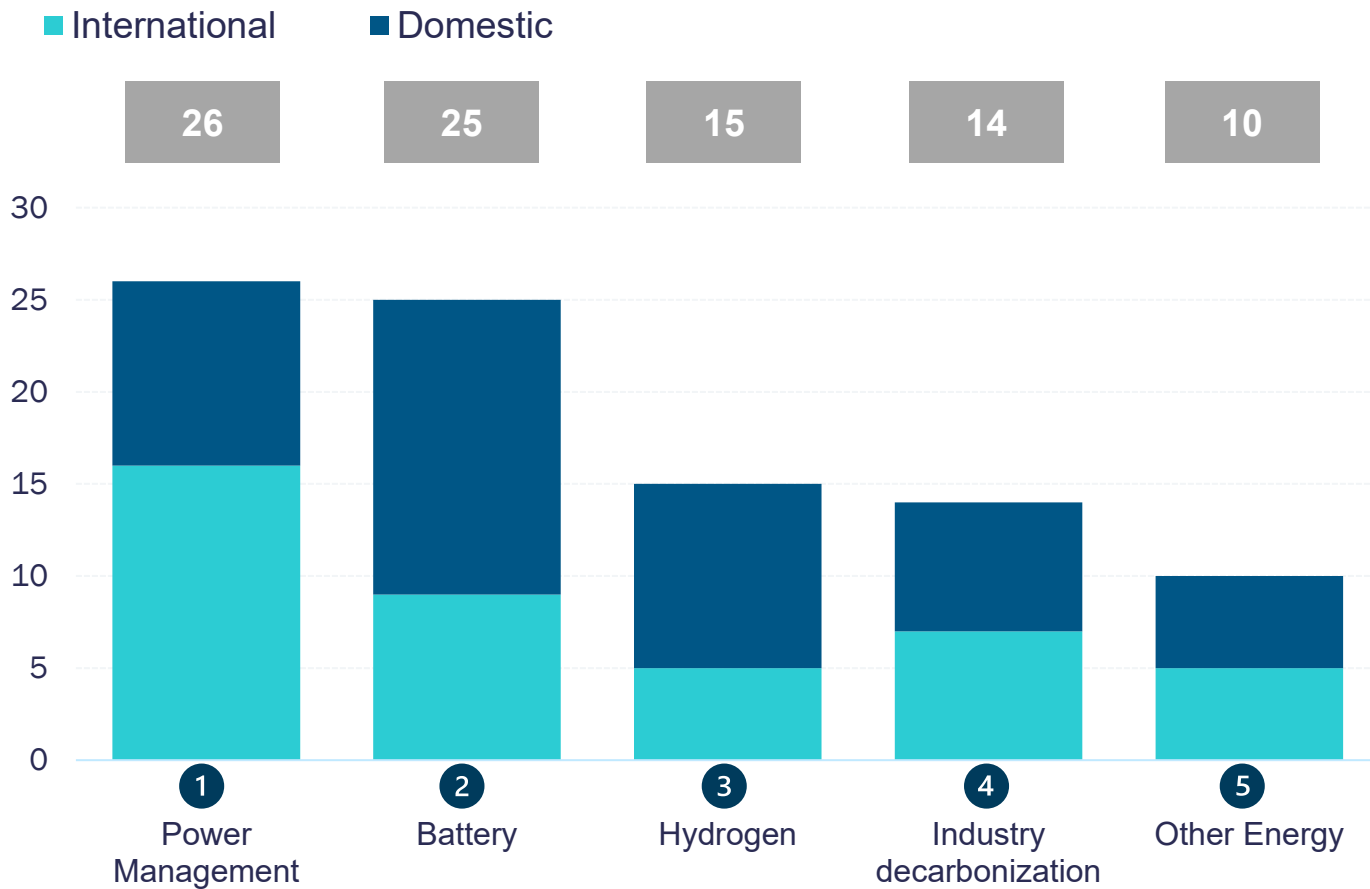


Project Pipeline: 181 projects; ~100,400 jobs; ~\$83.5 B Capex

# ~90 out of 181 projects in the project opportunity pipeline are energy-related

This highlights the critical importance and dominance of energy projects within the overall portfolio

## Energy Opportunities Pipeline



- 1 Power Management** – Opportunities under Wind, Solar / PV installation / manufacturing, power gen equipment, grid components , energy / data solutions, HQ relocation
- 2 Battery** – Opportunities under Equipment / Component manufacturing (anodes / cathodes / electrolytes) grid or EV / Storage
- 3 Hydrogen** – Opportunities relating to H value chain, i.e., production / Tech Manufacturing / End use / R&D
- 4 Industry decarbonization** – Opportunities aimed at reducing emissions, Circular economy, clean tech, co2 capture or under SAF, E-Methane, Biofuels etc.,
- 5 Other energy** – Opportunities under the heading of Petro/chemical, critical minerals extraction, and energy R&D

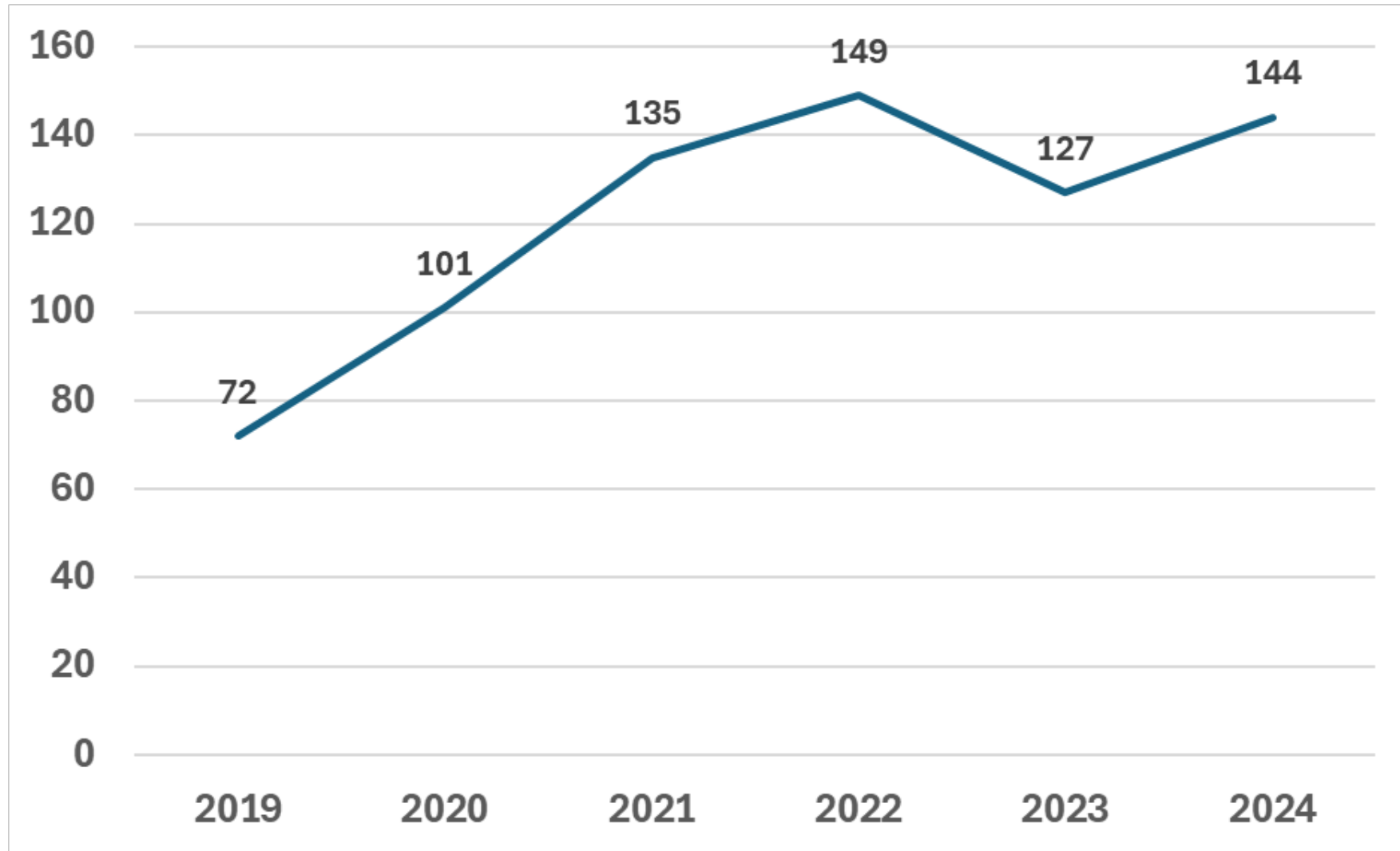
# 2024 Economic Development Wins

## Project Names by Capex

1. 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. May Food Produce – Project Star Apple
11. Poggipolini – Project Fastener
12. Triveni Turbine – Project Texas Vapor
13. Chenta Precision Machinery – Project Green Machine
14. Polyhose – Project Hose
15. Fluence Energy – Project Foliage
16. NABOHI – Project Waimea
17. Polymaker – Project FD4
18. Winit America – Project Pigeon
19. Creality – Project Builder
20. Fluxworks – Project Fluxworks
21. YPFB Chaco – Project YPFB
22. Renewable Parts – Project Renewable Parts

# EDD Update: 2024 Project Pipeline

## January-August Inbound Projects



# Most Active Projects

Project Jasmine – Supporting company on incentives review process

Project Liquid Boost – Working on LOI for Houston area site

Project Gemini - Company going thru incentives application process

Project Green Grove – Site visit week of 8/26

Project Savannah – Company working thru final Houston area site details

Project Scalum GW – Shortlisted Houston area sites; working on scheduling site visit

Project Seasprite – Coordinating site visit with the company

Project Stargazer – Coordinating site visit in October

Project Velociraptor – Site visit week of 9/9

Project Wind – Shortlisted Houston area site

Project Wire – Site visit week of 9/2

# JETI Overview

## Desiree Caufield

JETI Team Lead, Data Analysis & Transparency Division  
Texas Comptroller of Public Accounts

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# JETI





# Jobs, Energy, Technology & Innovation

- JETI was created with the passage of House Bill 5 (88RS) to help Texas stay competitive by attracting new jobs and investment to the state.
- Enables a company, school district and Governor's office to enter into an agreement for a 10-year school district maintenance and operations (M&O) tax appraised value limitation pursuant to statutorily mandated job creation and investment minimums.

# Jobs, Energy, Technology & Innovation

- Implementation:
  - Act effective Sept. 1, 2023; No applications until Jan. 1, 2024.
  - Rules were proposed on Sept. 29, 2023, and adopted on Jan. 16, 2024.
  - The application form was available on Jan. 18, 2024.
  - First application was received and published in early February.

# JETI Eligibility

- Eligible categories are based on NAICS codes and must fall within one of these prescribed NAICS industries:
  - Manufacturing Facilities classified in 311111-339999.
  - Utility Services classified in 221111-221118.
  - Development of Natural Resources Agriculture classified in 111110-115310.
  - Development of Natural Resources Oil and Gas classified in 211120-213115.
  - Research and Development classified in 541713-541720.
  - Critical Infrastructure classified in 221310-221330, 424710, and 486110-486990.
- Renewable Energy Electric Generation is not eligible for JETI.

# JETI Job & Investment Requirements

- JETI requirements are scaled on county population.
- Electric generation projects are exempt from job requirements.\*
- JETI does not allow for job waivers.

County Population	Required Jobs*	Required Investment
750,000 or more	75	\$200 million
250,000 - 749,999	50	\$100 million
100,000 - 249,999	35	\$50 million
99,999 or less	10	\$20 million

# JETI Job and Wage Requirements

- Jobs must be primarily at the designated project site, allowing for hybrid work schedules but excluding 100% remote work.
- Requires 110% of county average wage for all project jobs in NAICS. This wage data can be found at the Texas Labor Market Information website (<https://texaslmi.com/LMIbyCategory/QCEW>).
- Further instructions for wage calculation can be found on JETI Application and Instructions (<https://comptroller.texas.gov/economy/development/prop-tax/jeti/forms.php>)

# JETI Compelling Factor

- The JETI incentive must be a compelling factor as part of a competitive site selection process to locate the project in Texas.
- Competing locations must be outside the state of Texas.
- Applicants must provide proof of the alternate site locations being observed for the project.
- Offers from other states/countries may be kept confidential.
- Any definitive statements from the company's executive leadership suggesting the project is locating in Texas prior to executing (signing) the agreement will make the project ineligible.

# JETI Application Process

- JETI Application Form and instructions are available on our website at: <https://comptroller.texas.gov/economy/development/prop-tax/jeti/forms.php>
- Currently, the applicant must submit Form AP-243 and the Application Schedules (in Excel) to our group email address: [jeti.apps@cpa.texas.gov](mailto:jeti.apps@cpa.texas.gov)
- The following are the minimum requirements for application acceptance:
  1. All required application fields must be completed.
  2. The schedules must be provided in both pdf and Excel.
  3. Any confidential items must be segregated and submitted in a separate file with the appropriate confidentiality citation.
  4. A copy of the ISD fee or payment information must be included.
  5. The affidavit must be included and signed.
  6. The application must be dated and signed by the authorized contacts.

# JETI Application Processing

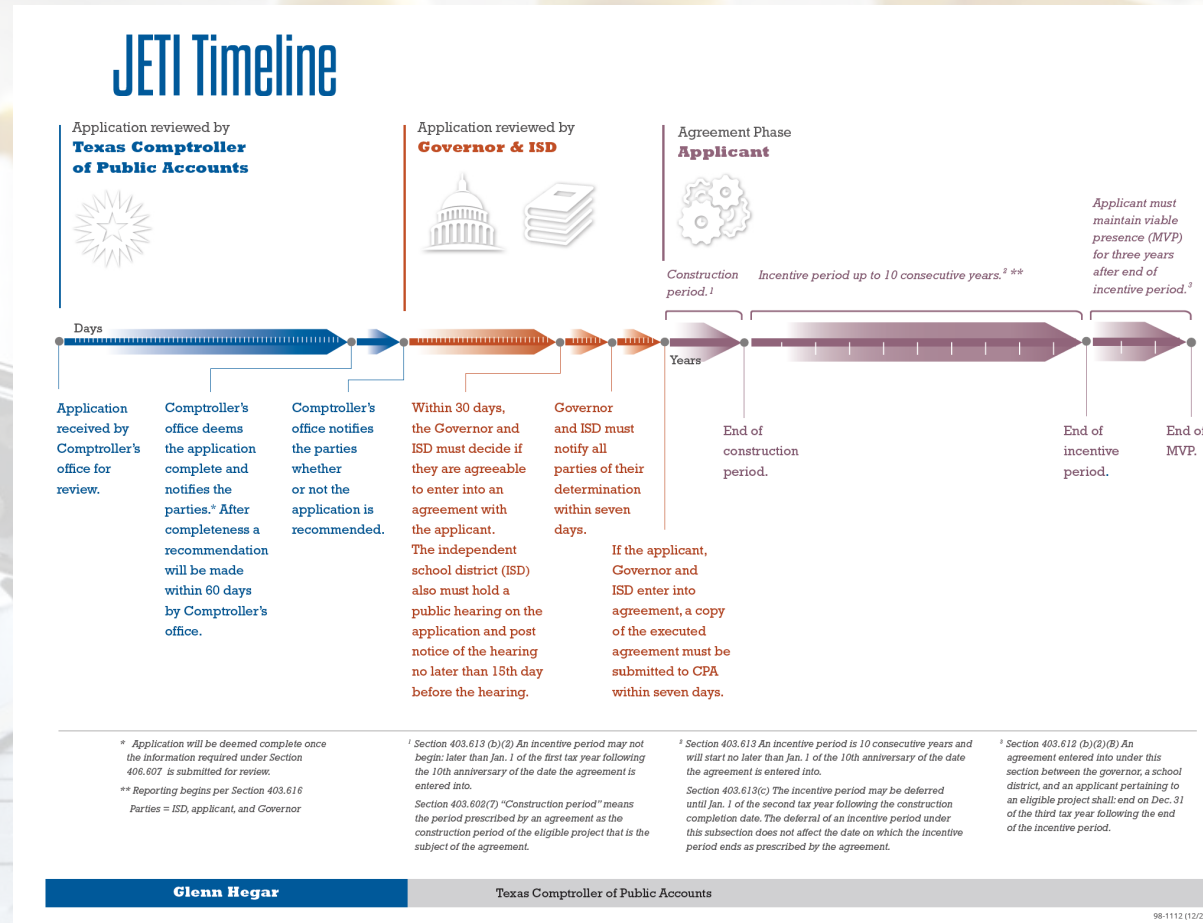
- Once the application has been accepted, it will be assigned a number, posted to our website, and reviewed for completeness.
- Our office may request revisions or additional information during the review period.
- Once deemed administratively complete, our office has 60 days to issue a positive or negative recommendation to the Governor's Office.
- JETI requires an agreement between the Governor, the governing body of a school district, and the applicant. The Comptroller is not involved with the JETI agreement process.
- Statute does not explicitly prohibit further action by the Governor's Office and school district in conflict with the Comptroller's recommendation.



# JETI Post Recommendation

- The Governor's Office has 30 days to determine if they will consider negotiating an agreement.
- The school district has 30 days to provide notice and hold a public hearing on the application.
- The Governor, the governing body of a school district, and the applicant must then negotiate a formal agreement.
- More information regarding the agreement is available on the Governor's Office website at: <https://gov.texas.gov/business/page/texas-jobs-energy-technology-and-innovation-jeti>

# JETI Timeline Overview



# Performance Bond

- Performance Bonds are a statutory requirement:
  - 10% of the estimated gross tax benefit to the applicant.
  - Must be in place at time of agreement execution.
  - *Details may vary per agreement.*
- The Comptroller's Office is not involved in the agreement process or agreement review. Agreements are between the school district, the applicant, and the Governor's Office.

# Help!

Economic Development Section

<mailto:jeti.general@cpa.texas.gov>

844-519-5672

Desiree Caufield

[desiree.caufield@cpa.texas.gov](mailto:desiree.caufield@cpa.texas.gov)

512-936-8597

# Closing Remarks

**Stephanie Wiggins**

HREDA Chair and Chief Economic Development Officer, Partnership  
Lake Houston



# The Future of Electric Aviation is in Houston!

Aviation Committee Meeting, Thursday, September 26<sup>th</sup>, Galaxy FBO at Hobby Airport, 4:00 to 6:00 pm



Lilium, a German battery manufacturer, is debuting its electric jet in Houston.

**Thank you for  
attending!**

