



Corpus Christi
REGIONAL ECONOMIC
DEVELOPMENT CORPORATION

January 31, 2017 Economic Update

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Corpus Christi MSA Employment by Sector



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| | Dec 2016 | Nov 2016 | Dec 2015 | Dec 2014 | Dec 2013 | Dec 2012 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Total Nonagricultural | 198,800 | 198,400 | 196,700 | 197,800 | 195,000 | 188,000 |
| Mining, Logging, & Construction | 23,200 | 23,400 | 24,100 | 27,200 | 28,700 | 24,900 |
| Manufacturing | 9,400 | 9,300 | 9,300 | 10,000 | 9,600 | 9,800 |
| Trade, Transportation, and Utilities | 36,400 | 36,200 | 36,200 | 36,300 | 34,100 | 33,000 |
| Information | 2,100 | 2,100 | 2,000 | 2,100 | 1,900 | 2,000 |
| Financial Activities | 8,800 | 8,800 | 8,600 | 8,600 | 7,600 | 7,600 |
| Professional and Business Services | 16,800 | 16,400 | 17,200 | 16,300 | 15,600 | 15,300 |
| Education and Health Services | 31,900 | 31,900 | 31,000 | 30,200 | 32,300 | 30,900 |
| Leisure and Hospitality | 27,200 | 27,300 | 26,200 | 25,100 | 23,600 | 23,200 |
| Other Services | 8,300 | 8,300 | 8,100 | 8,200 | 8,000 | 7,900 |
| Government | 34,700 | 34,700 | 34,000 | 33,800 | 33,600 | 33,400 |

YTD EDC Goals and Results



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Project Wins:

- Results Company “Clover”: 200 Jobs, \$4.2M Payroll
- Rangeland Energy “Chief ”: 40 Jobs, \$3.2M Payroll, \$75-100M CapEx
- Chemours Company “Lava”: 45 jobs, \$3.3M Payroll, \$230M CapEx
- BASF “Better”: 20 jobs, \$1M Payroll, \$55M CapEx

Activities:

- Prospect Visits this Quarter: 6
- Upcoming site visits: 2
- Upcoming recruitment missions: 7
- 2 Type A Incentives in process: Call Center 500 Jobs & TAMU-CC
Civil & Industrial Engineering

Project Pipeline:

- ✓ YTD: 4 “Wins”, 305 Jobs
 - ✓ 4 Class A Projects (high probability) – 1,248 jobs
 - ✓ 5 Class B Projects (in competitive negotiations) – 960 jobs
 - ✓ 10 Class C Projects (early in process/low probability) – 2,354 jobs
 - ✓ 19 Total projects representing a potential of \$21.85B CapEx
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Key Economic Indicators



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Oil Prices (WTI):

Dec. 2015 \$ 41.93/bbl.

Dec. 2016 \$ 45.72/bbl.

(WTC www.oil.com)

Natural Gas Prices:

\$ 2.84 mm btu

\$ 2.82 mm btu

(Henry Hub www.eia.gov)

U.S. Rig Count:

(www.bakerhughes.com/rigcount)

Dec 2014 1,913

Dec 2015 884

Dec 2016 481

Eagle Ford Shale Rig Count:

(www.EagleFordShale.com)

Dec 2014 260

Dec 2015 110

Dec 2016 44

Unemployment:

Dec 2015 5.3%

Dec 2016 6.1%

Employment:

Dec 2015 198,400

Dec 2016 198,800

2016 Economic Outlook Watch List



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- SHERWIN Closed October 2016
 - TPCO will complete Phase 2 in 2017
 - Area has lost manufacturing jobs but has added more leisure and hospitality jobs
 - The number of jobs have gone up but unemployment has also increased
 - Sales tax collections down; Corpus Christi down 11%
 - Oil prices appear to have stabilized in \$40-50 range
 - Continued uncertainty in crude oil & energy markets impacting Texas
 - Stock market at an all time high
 - Further proof that the Wall Street market is disconnected from the Main Street economy
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Strategic Plan – 2017



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- **Business Retention & Expansion**
 - Structured program to collect data/identify issues, identify growing/at risk companies
 - **Business Recruitment & Economic Diversification Strategy**
 - Coordinated, strategic plan for recruitment, identify target industries, lead generation
 - **Project Management**
 - Coordinated protocols on client management/"honest broker"/sites & asset inventory program
 - **Accountability, Compliance & Responsibility to Stakeholders**
 - 3rd party ROI model, ensure deal point promises are delivered, guidelines for incentives
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