



Corpus Christi
REGIONAL ECONOMIC
DEVELOPMENT CORPORATION

May 9, 2017
Economic Update

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Corpus Christi MSA Employment by Sector



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	Annual Change	Mar-17	Feb-17	Mar-16	Mar-15	Mar-14	Mar-13
Total Nonagricultural	2600	193,300	191,500	190,700	191,800	190,400	187,900
Mining, Logging, & Construction	700	23,200	23,000	22,500	24,700	25,300	24,000
Manufacturing	-300	8,700	8,700	9,000	9,400	9,800	9,800
Trade, Transportation, and Utilities	100	34,400	34,000	34,300	34,800	34,700	33,200
Information	0	1,800	1,800	1,800	1,900	2,100	2,100
Financial Activities	-100	7,600	7,500	7,700	8,300	8,000	7,700
Professional and Business Services	100	17,100	16,800	17,000	16,900	15,700	16,300
Education and Health Services	900	31,600	31,600	30,700	29,500	29,200	30,000
Leisure and Hospitality	500	26,100	25,600	25,600	24,700	23,800	23,400
Other Services	100	7,200	7,100	7,100	7,100	7,100	6,800
Government	600	35,600	35,400	35,000	34,500	34,700	34,600

YTD EDC Goals and Results



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Project Wins:

- ExxonMobil/SABIC: Plastics Facility, 636 jobs, \$90,000 average wage, \$9.5 B investment
Corpus Christi ETJ
- Envirotech Carriers: medical waste facility, 20 new jobs, \$50,000 average wage, \$500k investment

Activities:

- Prospect Visits this Quarter: 5
- Upcoming site visits: 3
- Upcoming recruitment missions: 2
- Type A projects in process: 1

Project Pipeline:

- ✓ YTD: 2 “Wins”, 656 Jobs
 - ✓ 2 Class A Projects (high probability) – 60 jobs
 - ✓ 7 Class B Projects (in competitive negotiations) – 1,480 jobs
 - ✓ 19 Class C Projects (early in process/low probability) – 3,490 jobs
 - ✓ 28 Total projects representing a potential of \$ 24.5B CapEx
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Key Economic Indicators



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Oil Prices (WTI):

March 2016 \$36.91/bbl.

March 2017 \$47.29/bbl.

(WTC www.oil.com)

Natural Gas Prices:

\$1.73 mm btu

\$2.88 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

March 2017 847

Unemployment:

March 2016 5.8%

March 2017 6.6%

Eagle Ford Shale Rig Count:

www.EagleFordShale.com

Dec 2014 260

Dec 2015 110

Dec 2016 44

March 2017 75

Employment:

March 2016 190,700

March 2017 193,300

Legislative Actions



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- **Senate Bill 2:** Limits cities, counties and taxing districts from adjusting tax rates more than 4%. CCREDC resolution of opposition.
 - **Senate Bill 650/ SB1765:** Further restricts cities in operation of Tax Increment Reinvestment Zones, puts more control in State Comptroller's hands, limits sunset to 10 years (so bonding for infrastructure is unfeasible). CCREDC testified in opposition. Bill put into pending status.
 - **House Bill 445/Senate Bill 277:** Restricts wind farms within 30 miles of Military Airfield from receiving 312 and 313 property tax incentives (for job creation). Does not impact land uses, only regulates economic incentives. CCREDC resolution in support of bill.
 - **TAMU-CC Special Funding Request:** Funds requested for Unmanned Aerial Systems Program and Matching Grant for Civil & Industrial Engineering Programs (matches City Type A Grant). CCREDC resolution of support. Parked in Budget Article 11.
 - **House Bill 793:** Would require not-for-profits with any support from government agencies to operate as government entities. CCREDC resolution in opposition & testimony.
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Synchronist 2016 Overview



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Major Issues Identified

- 72% Workforce
 - Retention and Availability
 - Essential Skills
 - Skilled Labor
 - 48% Infrastructure
 - Street Maintenance
 - Water Availability
 - Water Quality
 - Long-term planning in growth areas
 - 28% Quality of Training
 - 78% believed the business climate was stable
 - 43% saw weak sales
 - 27% continue to hire
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37 BRE Visits (as of April 30, 2017)

Issues Identified

- Workforce – 85%
 - Qualified Workforce
 - Labor Availability – concerns over a large number of industry employees eligible for retirement
 - Regional growth is positive but will burden the available labor market
 - Companies expect to continue hiring in 2017
 - Infrastructure – 81%
 - Reliable water source
 - Long term planning in growth areas
 - Quality of Training – 31%
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