

A Reprint from *Tierra Grande*, the Real Estate Center Journal

NEW DEVELOPMENTS IN TEXAS CITIES

BY JENNIFER S. EVANS

Research Associate

LORI R. JANICEK

Graduate Research Assistant

In the past year, Texas population and construction have risen significantly. Major trends include industrial expansion, new call centers, university construction projects and new electric plants. Here are some highlights of new developments in selected communities.

ABILENE

Abilene now houses Texas' largest wind-power farm. The \$82 million project near McCamey has 107 turbines generating 75 megawatts of power for West Texas Utilities. The 375,000-square-foot Wylie Community Center opened at the end of 1999. Near Dyess Air Force Base, 190 apartments and 212 townhouses are proposed to alleviate the base housing shortage.

AMARILLO

Groundbreaking for the \$11.3 million Tri-State Events Center was held in May 1999. Two \$8 million medical office buildings connected to Northwest Texas Hospital are part of a \$27 million expansion project conducted by Universal Health Services. Bell Helicopter opened a 400,000-square-foot plant, providing hundreds of new jobs. In November, a bond election passed for new library facilities.

AUSTIN-SAN MARCOS

A \$200 million, 800-room hotel will be built to complement the nearby Austin Convention Center downtown (right). The convention center is undergoing a \$110 million expansion. Sulzer Biologicals will bring a \$30 million plant and headquarters to the Cedar Park area and employ 200. Apartment demand is increasing as the market has a 97 percent occupancy rate and the highest average rents in the state. The new Austin-Bergstrom International Airport opened in southeast Austin.

BEAUMONT-PORT ARTHUR

A \$50 million entertainment park will open on 250 acres. The outdoor theatre and waterpark will be the new home to the Southeast Texas State Fair. Shell, Fina and BASF plan to build a \$200 million rubber plant at the Fina Oil site by early 2002 and will employ 400 construction workers. In

downtown Beaumont, Crockett Street will be the location of a new entertainment district with 12 new businesses.

BRAZORIA COUNTY

Angelton's largest employer, Sulzer Intermedics, closed last year. In Sweeney, a refinery is undergoing major expansion. Overall, drilling activity for oil and gas has increased 49 percent since May. In northeast Brazoria County, several major master-planned communities are under construction.

BROWNSVILLE-HARLINGEN-SAN BENITO

A Convergys 24-hour call center will add approximately 800 jobs in the area and occupy 43,000 square feet. A Schlitterbahn waterpark is planned for the South Padre area. A new gambling boat transports about 800 passengers per trip. Los Tomates International Bridge opened. The area unemployment rate hit an all-time low.

BRYAN-COLLEGE STATION

The Bernard C. Richardson Zone at Kyle Field (right) added 20,000 seats for the 1999 Texas A&M University football season. A new golf course, conference center and hotel are planned for the west Bryan area. The site will be used for Big 12 golf events. Several industrial and business ventures are moving to the area, such as Alternative Fuels Inc., ProdiGene and DecisionOne.

CORPUS CHRISTI

Two linked hotel barges housing 198 customers will stop in Corpus Christi on their way down the Texas coast. Portland has two new retail shopping centers totaling 400,000 square feet planned off Highway 181. Gold Coast, a \$15 million waterpark, conference center and carnival, will open by Memorial Day 2000. Citgo Petroleum plans to build a \$180 million power plant.

DALLAS

A 144-acre Lewisville building project will create a retail site and industrial development as construction begins in late 2000. The University of Texas Southwestern Medical School was presented with a \$3 million gift that will support research and clinical care. The American Airlines Center, a new basketball and hockey arena, will open by fall 2001. It is estimated that 6,600 people live in downtown Dallas where 2,600 intown housing units were added in the past couple of years.

EL PASO

Echo Star Communications Corporation is expected to bring a 100,000-square-foot call center and 2,000 jobs to El Paso. Three other companies are expected to add call centers in El Paso. El Paso presently has ten call centers employing 4,300. El Paso's Levi Strauss plant will close, leaving 668 employees without jobs.

FORT WORTH-ARLINGTON

Chisholm development, a 3,400-acre project in Wise County, will offer a wide variety of multifamily, single-family, light industrial and school sites. Ameritrade Holding Corporation and Internet Discount Broker plan to locate a customer service center, employing 1,200 people, near Alliance Airport. The Alliance industrial park continues to expand by adding a number of new buildings, including JCPenney's 1.1-million-square-foot distribution center. The new \$7.5 million minor league baseball stadium near downtown Fort Worth will seat 6,000 fans.

HOUSTON

Enron Field (right), a \$265 million baseball field, opened for the 2000-01 baseball season. A 1,000-room hotel will open by 2003 near the George R. Brown Convention Center in downtown Houston. Enron's downtown high-rise, a 40-story, 1.2-million-square-foot office building, is being constructed. Several new developments are springing up around downtown. FINA, Inc. has announced plans to relocate its corporate headquarters from Plano to Houston. Company officials expect the move to be completed by mid-summer of 2000.

GALVESTON-TEXAS CITY

Carnival Cruise Line will base a ship in Galveston, bringing \$21.3 million to retailers. The Moody Aquarium opened at Moody Gardens in Galveston last summer, and the attraction continues to expand. The City of Galveston plans to buy 605 acres near the ship channel and the University of Texas Medical Branch has an opportunity for expansion. At Pier 19, a new restaurant and expanded hotel are planned.

LAREDO

Unemployment reached a nine-year low during 1999. The City of Laredo and the federal government spent \$50 million upgrading the Laredo Airport. Fountain Centre, a new retail development, has about 20 outlets. Laredo Community College will be building a second campus on 140 acres off U.S. Highway 83 in south Laredo.

LONGVIEW

The closing of the Stroh Brewery was a major blow to local employment, with a loss of 350 jobs. Black and Decker is building a new plant in Marshall, creating 80 jobs. Just south of Longview, in Rusk County, a new Tenaska power plant is under construction, adding numerous construction jobs. The University of Texas at Tyler opened a Longview campus. The Kilgore business park broke ground in September.

LUBBOCK

Plans for a major downtown housing development could put 450 new houses in downtown Lubbock; work could start in the first quarter of 2000. X-FAB is building a wafer foundry that will employ 138. Both Texas Tech University and Lubbock Christian University have building additions.

MCALLEN

A new call center in Pharr is creating 1,000 jobs. A new \$350 million electric generation

plant also will be constructed in the area. The University of Texas-Pan American and South Texas Community College are adding new buildings. Sharyland Business Park is continuing to grow, with six new buildings to be completed by spring 2000.

ODESSA-MIDLAND

Although there have been job losses because of the slump in oil prices, other types of jobs are being created. Panda Energy is building a \$300 million natural gas generating plant, creating 650 construction jobs. Midland International Airport, which opened last year, has five gates and cost \$21 million.

SAN ANGELO

Two call centers opened in San Angelo and have the potential to create more than 650 jobs. Angelo State University added a number of new buildings, including the 135,000-square-foot Junnell Center, a multi-purpose facility. Lake Nasworthy is being dredged. A 400-acre industrial park is being developed.

SAN ANTONIO

Several call centers opened in San Antonio, employing almost 1,500. The conversion of Kelly Air Force Base into KellyUSA, an industrial park, has been successful. Major tenants include Ryder Logistics and Lockheed Martin.

SHERMAN-DENISON

Denison is seeing major industrial expansion with Pillsbury, Nucentrix, TCIM, Heartland Wireless and Montana Cincha creating more than 800 jobs. In Sherman, Globitech and Acoustical Control Systems are opening facilities.

TEMPLE-KILLEEN

Fort Hood is looking at privatizing its housing for soldiers. The base also announced layoffs for 237 civilian employees. Tenneco is expanding in Temple, and Convergys is expanding in Killeen.

TEXARKANA

Cooper Tire added another shift, creating 300 jobs. Delta Airlines expanded its maintenance facility. Arkansas Rural Electric Cooperative plans a 150-megawatt power plant to serve the area.

TYLER

Target has continued to hire employees for its 1.6-million-square-foot distribution cen-

ter. Brookshire Grocery plans to build a perishable foods warehouse in Tyler. Tyler ranked third in the state in employment growth over the past year. Jobs added were primarily in the service and trade sectors.

VICTORIA

A new wastewater treatment plant is under construction and will open in the northwest side of the city. A \$50 million resort in Port Lavaca is expected to bring 5,500 new residents to the area. The University of

Houston at Victoria is building a new academic building and undergoing two other new projects.

WACO

Caterpillar is building a plant in the area. A golf course community with 580 lots will be built in Woodway. Anheuser-Busch also built a distribution center in Waco. The Waco regional airport underwent a renovation that doubled the terminal size.

WICHITA FALLS

The Dallas Cowboys Training Camp had a \$6.5 million economic impact on the area, and the Cowboys plan to stay through 2000. Panda Energy is building a new power plant in Archer County. The Levi Strauss plant closed, but Budget Rent-A-Car, Southwestern Bell and the Texas Department of Criminal Justice will employ more than 1,000 locally. Sheppard Air Force Base is building a \$14.5 million training facility. ✦

REAL ESTATE CENTER

©2000, Real Estate Center. All rights reserved.

Director, Dr. R. Malcolm Richards; **Associate Director**, Gary Maler; **Chief Economist**, Dr. Mark G. Dotzour; **Senior Editor**, David S. Jones; **Associate Editor**, Wendell E. Fuqua; **Associate Editor**, Nancy McQuiston; **Assistant Editor**, Kammy Baumann; **Editorial Assistant**, Brandi Ballard; **Art Director**, Robert P. Beals II; **Circulation Manager**, Mark Baumann; **Typography**, Real Estate Center; **Lithography**, Wetmore & Company, Houston.

Advisory Committee: Gloria Van Zandt, Arlington, chairman; Joseph A. Adame, Corpus Christi, vice chairman; Celia Goode-Haddock, College Station; Carlos Madrid, Jr., San Antonio; Catherine Miller, Fort Worth; Angela S. Myres, Houston; Nick Nicholas, Dallas; Jerry L. Schaffner, Lubbock; Douglas A. Schwartz, El Paso; and Jay C. Brummett, Austin, ex-officio representing the Texas Real Estate Commission.

Tierra Grande (ISSN 1070-0234), formerly *Real Estate Center Journal*, is published quarterly by the Real Estate Center at Texas A&M University, College Station, Texas 77843-2115.

Subscriptions are free to Texas real estate licensees. Other subscribers, \$30 per year, including 12 issues of *Trends*.

Views expressed are those of the authors and do not imply endorsement by the Real Estate Center, the Lowry Mays College & Graduate School of Business or Texas A&M University.