GETTING STARTED

In-person Guests
Remote Guests
Format & Outline
Q&A & Next Steps
INTRODUCTIONS

Jay Neal
Associate Vice President and Chief Operating Officer for UH at Sugar Land and UH at Katy

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Executive Vice President Marketing & Operations at Fort Bend County EDC

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Principal Rebel Group
P3 ADVISORY TEAM

WT Partnership
P3 & Real Estate Advisors

REBEL Group
Financial Advisors

VISSPIRO Strategies
Architectural & Programming

SOCIAL TECH Ai
Educational Specialist
• Project Background
• Area & Regional Context
  o City of Sugar Land EDC
  o Fort Bend County EDC
• Overview of UH & Project
  o Vision for Industry Partnership Zone
  o UH Objectives
  o Value Proposition
• Potential Partners & Structures
  o Targeted Industries and Partners
  o Potential Commercial Structures
• Next Steps
  o Request for Industry Comment
  o Q&A
Located in Fort Bend County on 270 acres, which includes I-59/69 frontage.

Instructional Site since 2016 with programs from six UH colleges: Nursing, Technology, Education, Social Work, Liberal Arts & Social Sciences, Business.

3,000+ students now, a figure which will increase in fall 2022 as College of Technology programs transition to Sugar Land from the main campus.

200+ Faculty | 22 Undergrad & Graduate Programs
The overall vision for the Industry Partnership Zone is to create a community where academia and industry intersect to create an innovative ecosystem bringing people and ideas together to advance research, technology commercialization, incubation, and economic development.

UH is looking for key partners whose work overlaps with the program offerings at the Sugar Land instructional site, in particular the College of Technology, in order to leverage the intellectual capital available in the form of faculty and students.

UH at Sugar Land is most focused on advanced manufacturing, logistics and supply chain, and biotechnology, but is open to adjacent sector partners as well.

These partnerships would work in tandem to offer internships, research collaborations, and intellectual property (IP) leading to patent development.
SUGAR LAND, TX
OUR FOUNDATION – IMPERIAL SUGAR

• Sugar Land began as a company town around Imperial Sugar Company in the early 1800s.

• The Imperial Sugar Company built 500 new homes, a mercantile store, medical stores, paper mills, and Lakeview Elementary which is still used today.
  o They also built and staffed hospitals and fire stations to accommodate the needs of Sugar Land residents.

• By 1925, the population was listed at 1,000 and 4 years later the population had increased to 2,500.
  o The Charhouse was constructed during this time.

• Sugar Land is a perfect example of Economic Development
HISTORY OF MAJOR EMPLOYERS

• ChampionX, originally called Norris, established in 1929 as a Chemical Technologies business selling drilling mud additives

• Major corporations such as Fluor and Schlumberger established major campuses in the 1980s

• The Sugar Land Office of Economic Development continues to attract and retain primary employers, many of which are in the Sugar Land Business Park
QUALITY OF LIFE
WORKFORCE & DIVERSITY

59.6% with Bachelor Degree and Higher

$123,261 Median Household Income

111,026 Population

POPULATION DIVERSITY

Diversity Index: 76.3%

RACE%

WHITE 39.2%
ASIAN 38%
HISPANIC 12.3%
BLACK 6.9%

AMERICAN INDIAN .36.9%
PACIFIC ISLANDER .1%
2 OR MORE RACES .2.8%
OTHER .3%

Sources: US Census and ArcGIS
SUGAR LAND’S KEY SECTORS

ADVANCED MANUFACTURING
- Legacy Energy / Clean Energy
- Pharmaceutical Manufacturing
- Computer & Electronic Product Manufacturing

BUSINESS & PROFESSIONAL SERVICES
- Corporate HQ and Back Office
- Financial Services
- Engineering Services

LIFE SCIENCES
- Healthcare Services
  - Health IT
  - Biotech Research

INFORMATION TECHNOLOGY
- Software
- Internet Applications
- Digital Security

TOURISM
- Accommodations
- Arts, Culture & Recreation
- Destination Retail

Sources: EY Study
KEY SECTOR PRESENCE

MEDICAL & BIOTECHNOLOGY

- QuVa Pharma
- Healix
- Mylan
- THE UNIVERSITY OF TEXAS MD Anderson Cancer Center
- Bluebonnet
- AmerisourceBergen
- Houston Methodist
- St. Luke’s Health

ADVANCED MANUFACTURING

- Accredo Packaging, Inc.
- AOI
- Yokogawa
- CROWN
- Systel

Sources: EY Study
THE FACTS

- Centrally located with access to US and global markets
- No state income tax
- Texas ranks 1st year after year for business climate
- Greater Houston is the fifth largest metro in the US
- Fort Bend is the fastest growing county in Greater Houston
  - 839,706 Population
  - 900 Square Miles
  - 18 Communities
  - 50 Percent Undeveloped

Source: Business Facilities
REGIONAL LEADER

- Fort Bend County is part of a 9-county region, Greater Houston Metro

- Fort Bend County leads the region:
  - Education Level
  - Diversity
  - Median Household Income
  - Foreign Born Population
  - Population Growth
  - Innovation Index
  - Talent Attraction
  - Skilled Job Growth
  - Net Migration
  - Poverty Rate (lost in region)
QUALITY OF LIFE

- Best County For Families In Greater Houston, 2nd in Texas, 11th in US
- 3rd Healthiest County In Texas
- 4th Fastest Gaining Population in US
- 7th Best Public Schools in Texas
- 8th Best County In Texas For Young Professionals
- 16th Best County For Talent Attraction In US
- 9th In US For Job Growth To Population Growth

Source: U.S. Census, SmartAsset, Stats America, Niche, & Real Estate Consulting EMSI
EXCEPTIONAL WORKFORCE

- County’s diverse, educated workforce continues to grow, now over 415,520 (May 2022)

- The county’s labor shed (regional force) is nearly 3.4 million strong

- Upskilling and workforce training at local colleges, universities, and Workforce Solutions

- County Unemployment Rate (May 2022): 3.9%

- Talent Attraction - Leading The Region!
  - Skilled Job Growth - 39th in US
  - Net Migration - 11th in US
  - Educational Attainment - 10th in US
  - Overall Job Growth - 31st in US
  - Talent Attraction Overall - 16th in US

Source: Bureau of Labor, US Census/American Community Survey
WORKFORCE – POPULATION DIVERSITY

- Most diverse county in the Greater Houston region
- One of the most diverse counties in the United States
- Foreign born population is 28.6%, compared to Texas at 17%
- 38% of total commercial incomes is contributed by foreign born community

“One of America’s great demographic success stories!”

Bill Fulton, Director, Kinder Institute For Urban Research

Fastest growing demographic group in Fort Bend County

Source: U.S. Census
WORKFORCE EDUCATION

- Fort Bend County has the highest level of educational attainment in the region, 10th highest in the US.
- 91% of the population has a high school degree or higher
- 45.5% have a bachelor’s degree or higher
  - Harris County: 32.3%
  - Montgomery County: 34.9%

Source: US Census/American Community Survey, 2020
COMMERCIAL ACTIVITY

- Remained steady during COVID; uptick in activity last six months
- County GDP 2021: $25 Billion; $4 Billion in 1986
- $20 Billion commercial value (2021)
- 15,378 business establishments in Fort Bend
- Target industries include food and beverage manufacturing, advanced manufacturing, logistics/supply chain, research and development, life science, and business services/corporate office

Fort Bend’s Largest Employers

Source: Bureau of Economic Analysis; US Bureau of Labor Statistics
ACCESS TO LOCAL, NATIONAL MARKETS

- Access to markets across Texas
  *San Antonio, Dallas, Austin, Houston, and the Rio Grande Valley*
- Access to markets across the US
  *Centrally located to reach markets in the Mid-West and the Atlantic and Pacific coasts*
- Access to deep water port capable of accepting container ships coming through the Panama Canal-deepest Port In Texas; additive to Port Houston, not competitive
  *Goods moved into Houston and other US markets via Highway 36A.*
- Three Class I Rail lines that converge in Rosenberg
  *Products moved across the US and into Canada*
- Interstate 69, Highway 36A, US Highway 90, Fort Bend Toll Road, Grand Parkway, Westpark Toll Road
  *Connecting Fort Bend to Greater Houston and beyond*
- A network of MUDs and LIDs to support development and provide flood protection
  *Development and protection costs borne by the user to speed up development*
COLLABORATION, OPPORTUNITIES, & PARTNERSHIPS WITH UH

- FBEDC is a long-standing partner with University of Houston

- Seek opportunities to support projects that grow the commercial base, create jobs, and improve our community.

- Strength is in our collaboration - county, cities, education, development community - common interest to keep Fort Bend County Greater Houston’s Finest Address
UH & THE PROJECT

- University of Houston
- UH and Connection to Sugar Land
- Vision for Industry Partnership Zone
- Value Proposition
THE UNIVERSITY OF HOUSTON

- Established in 1927, a Tier One public research university with aspirations to be a Top 50 research university

- 47,000 Students (2021-22 Academic Year) | 2,800 Faculty | 255 Undergrad majors/minors | 36 Research Centers

- Committed to contributing to the vitality of the region by developing skilled, professionals, providing research-based solutions to real-world problems, and celebrating the diversity of the people who call Houston home

- $6.4B Economic Impact on Greater Houston (Emsi/2019)
Higher Expectations: A 2019-2023 Strategic Plan

• Key Priorities for 2022-2026: Student Success, Growth, Partnerships, Awareness

• Growing, strengthening business, political, community relationships with emphasis on P3 opportunities

• College of Technology will be completely migrated to Sugar Land by 2025 which presents opportunities for programs to connect with industries in the region
UH AND SUGAR LAND

- UH at Sugar Land and UH Resources
- Vision and concept of possible projects
- Partnering with UH
OBJECTIVES

The project objectives for UH are:

• A long-term collaborative industry partner(s)
• A project that is revenue generating (i.e., patents, IPs, retail space, etc.)
• An up-front capital investment from a partner(s) and/or a securitizable long-term commitment
• An overall alignment with UH academic mission, goals, and objectives
• A space for additional research and employment opportunities for faculty and students
• A sustainable, state-of-the-art research hub
UH can present a high value proposition to potential partners in the immediate area, characterized by:

• Land that is zoned and ready for development
• Joint research revenue opportunities
• Access to leading research faculties at both UH at Sugar Land and potentially the wider UH research faculties at the main campus
• Highly employable student body and pipeline for industry workforce
• Reputational benefits of being partnered with a leading University
Other UH Regional Benefits:

- The City of Sugar Land is an innovative hub for many growing industries, particularly in advanced manufacturing, biotech, financial services, energy technology, and R&D.

- Fort Bend County is home to several advanced manufacturing and technology sector companies and will likely continue to serve as a targeted location for those industries.

- The region is also enticing to employees looking for a high quality of living as well as employment options. The region offers a suburban environment with an affordable cost of living, a diverse and highly educated population, and highly rated local school districts.
POTENTIAL PARTNERS

- Types of Partners
- Target Industries
- Preferred Use Types
- Potential Commercial Structures
- Transaction Parameters
POTENTIAL PARTNERS

1. Development Partners
2. Industry Partners
3. Self-performing Industry Partners
TARGET INDUSTRIES

1. HIGH PRIORITY INDUSTRIES
   • Advanced Manufacturing
   • Distribution / Supply Chain
   • Biotech

2. SECONDARY INDUSTRIES
   • Engineering
   • Healthcare
   • Education
   • Technology
   • R&D
   • Consulting
   • Insurance

   • Telecom
   • Oil & Gas
   • Energy
   • E-sports
   • Chemical
   • Construction
The Project should reflect higher education purposes or be in support of the campus’ educational mission. The following use types have been considered at this point and all are considered acceptable as Project components:

- Commercial Office
- Advanced Manufacturing R&D
- Laboratory / Research
- Flex Space
- Shared Academic / Classroom
- Supporting Commercial Development
UH has identified these models as potentially viable procurement options:

1. Industry Partner-Led (Partner Risk)
   - UH owns land/asset
   - Industry Partner takes on role of Development Partner and develops facility for its own use
   - Industry Partner retains most risks, including long-term performance
   - After identifying Development Partner, UH retains limited level of control

2. Development Partner-Led (Developer Risk)
   - UH owns land
   - UH enters long-term ground lease with Development Partner
   - Development Partner develops facility and leases space to Industry Partner(s)
   - Development Partner retains most risks, including demand and long-term performance
   - UH retains low level of control

3. Development Partner-Led / (University risk)
   - UH owns land/asset
   - Development Partner develops and operates facility
   - UH leases space to Industry Partner(s)
   - UH retains demand risk and pays Partner based on availability
   - Development Partner retains most other risks, including long-term performance
   - UH retains high level of control
• UH is open to discussing commercial structures, availability payment P3, ground leases, other types of leases, and various security structures that could be used to raise the capital to build the project, within certain parameters.

• However, UH is not currently considering issuing its general credit bonds for this purpose. There is a preference for risk to be shared between parties or transferred largely to the Development Partner(s) and/or Industry Partner(s).
NEXT STEPS

- Q&A
- Request for Industry Comment
PURPOSE OF THE RFIC:
1. Measure the level of respondent interest in participating in a future procurement;
2. Obtain specific industry input to questions outlined in RFIC; and
3. Seek the participation of industry leaders via formal feedback to obtain additional input on the proposed development including project delivery and financing mechanisms.

RFIC TIMELINE:
- **8/9**: RFIC issued following Event
- **9/6**: Approximately 4-week market period
- **Fall 2022**: Following responses, the University will determine next steps
CONCLUSIONS

The Industry Partnership Zone represents a unique opportunity to develop a strong link with UH.

Clear commitment from UH leadership as well as local and regional resources.

Site is development-ready with State control of land use and approval process.

Industry feedback will help shape next steps and procurement options.
WEBSITE

Website - [uh.edu/sugarland/partnerships](https://uh.edu/sugarland/partnerships)

Please submit all queries and questions related to the RFIC via contact email below.

CONTACT

Contact Email - [bethjohnson@uh.edu](mailto:bethjohnson@uh.edu)

- Project Information and Background
- Market Outreach Information
- Outreach Event Presentation
- Question submission
- Contact details
- RFIC process