

# Firm buys land for distribution park

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By Matt Hollis [matt.hollis@baytownsun.com](mailto:matt.hollis@baytownsun.com)

Clay Development & Construction has purchased some land in the Cedar Port Industrial Park in order to develop Cedar Port Distribution Park.

The firm has acquired 79.57 acres of land along Borusan Road and FM 1405 in the industrial park.

TGS Cedar Port Partners sold the land to the firm. They have operated rail service within the park since the 1990s and announced plans last year to complete about \$22 million in expansions at the park. This included the addition of two 9,000-foot interchange railroad tracks.

"Our partnership chose to work with Clay Development because of the outstanding reputation that Robert and Al Clay and their team have earned in the greater Houston warehouse development market," said William F. Scott, managing partner of TGS Cedar Port Partners. "We believe that the Clay transaction will create new jobs and industrial development opportunities for Baytown and West Chambers County."

TGS Cedar Port Partners sold in excess of 200 acres out of the 11,000-acre industrial park in 2015.

Clay Development & Construction, which is a Houston-based company, concentrates in commercial real estate development as well as construction firm specializing in industrial build-to-suit facilities for sale or lease.

The Cedar Port Distribution Park provides a regional water detention program and fire sprinkler system and is located in the deed-restricted Cedar Port Industrial Park.

Clay Development & Construction is building 1.5 million-square-feet in three rail-served, dock-high distribution facilities. Beginning this month, they will begin construction on Phase I at 4830 Borusan Road, which is the first building, Cedar Port Distribution. The building will measure 501,020-square-feet on 26.4 acres. Its interior features 32-foot clear-height ceilings, 50-by 52-foot column spacings and 60-foot loading bays. Its completion date is scheduled for August.

"The economic drivers in this market are the low price of natural gas, steady growth in the petrochemical and plastics industries, and the demand for newly built, rail-served, accessible distribution space near the Ship Channel," said Robert Clay, company president. "With the recent Panama Canal and Port of Houston expansions, both global and national companies are looking for large warehouse/distribution space in this market. The Borusan Road location offers both rail and public barge dock access in addition to immediate access to the Highway 99, Highway 146, Interstate 10 and the port."

B. J. Simon, associate executive director of the West Chambers County Economic Development Foundation, said there are benefits to the Baytown and Chambers County areas.

"The benefit is that there will be spec space available," said Simon. "There has been a lack of that for time. It is a rarity in this area of the Houston market, particularly the manufacturing space that they plan to build. You have the benefit of construction and then jobs, another contribution to the growing logistics and distribution cluster we have in Baytown and West Chambers County. Verticality is reality in this area. This is a sign of things to come."

John Simons, John Feruzzo and Joel Michael of NAI Houston acted as representatives for the seller during the transaction while Charlie Christ, Clay Development & Construction vice president of operations, handled the sales and leasing for Cedar Port Distribution Park.

"We feel this is the hot area right now with everything going on out there in the southeast," Christ said. "Now that TGS has purchased that land, it is a park we feel it is the place to be in the future. We are doing this and hoping to do a lot more."

Christ added that Baytown will benefit from the purchase in terms of tax dollars as well as any new employment the development brings.

In addition to the 80-acre purchase, Clay Development & Construction also purchased another 23 acres toward Highway 99 up front in the park.

"It will be used for smaller distribution and smaller manufacturing type buildings," Christ said. "And, it will have rail access."

The buildings going up there range from 20,000 to 80,000 square-feet versus the 500,000 square-foot rail service.