



CONCENTURE

WEALTH MANAGEMENT

OCTOBER 2020

HOUSTON ECONOMIC UPDATE

Hewlett Packard Enterprise, a Fortune 500 company that spun off from computing giant Hewlett Packard in 2015, broke ground on a 440,000 square foot office complex in CityPlace at Springwoods Village, making it the fourth major corporation to build a campus at CityPlace (including HP).

The state-of-the-art R&D facility is about 20% smaller than original plans but will include a cafe, fitness center, pharmacy, kitchen, laboratory, and office space, as well as a multi-use courtyard with a basketball pavilion, yoga lawn, outdoor tables, and a water feature.

Expected to open in 2022, a new HPE R&D facility will be a boon to the Houston tech industry.

Industry Outlooks

- **Engineering.** Houston's engineering industry lives or dies by aerospace and energy, sectors which have taken huge hits in the wake of the pandemic. Both are crawling back, with city, state, and federal investment focused on a recovery that is still likely to play out over a period of years, not months.
- **Manufacturing.** Chemical manufacturing has declined in step with the crash of the oil industry that supports it; both face a long road to recovery. Durable goods manufacturing, on the other hand, shows signs of life, less susceptible to outsourcing and automation than technology manufacturing.
- **Technology.** The presence of HPE, Flightaware, Microsoft, and Halliburton in Houston have made it a tech hotspot for years. With quality of life declining and the cost of doing business increasing in places like California, we expect its stature to grow. Tech hiring is booming in Houston, even in a pandemic.