

# Whirlpool spins huge project

## Distribution complex gets intermodal center off to a whirlwind start

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Whirlpool Corp. is rolling out a major distribution complex that could send an assortment of home appliances swirling through Fort Bend County en route from the assembly line to stores.

The mammoth manufacturer of dishwashers, refrigerators and ovens plans to spend at least \$35 million on construction of 1.5 million square feet of distribution space in an 800-acre intermodal business park in Kendleton, SEE **WHIRLPOOL**, PAGE 48 located southwest of Rosenberg.

Whirlpool would be the first tenant in the intermodal project being developed jointly by Kansas City Southern Railway Co. and CenterPoint Properties Inc.

While Whirlpool officials would not comment on the Kendleton project, company documents submitted to Fort Bend County show:

- The first phase includes a 750,000-square-foot building on 41 acres. The facility will open no later than Dec. 31, 2013.
- Phase II calls for another 750,000-square-foot facility to be finished by Dec. 31, 2018.

A tax abatement approved by Fort Bend County Commissioners Court this week will save Whirlpool about \$500,000 in taxes over a 10-year period.



Morrison

With the financial incentive in hand, Whirlpool executives will submit the project proposal to their board. One county official sees the process as a formality, and the board is expected to

grant final project approval.

Whirlpool is required to employ only 60 full-time workers in the first phase of development, according to the tax abatement application.

Fort Bend County Commissioner Richard Morrison says Whirlpool plans to hire 200 people in connection with the project.

The tax abatement requires an additional 20 employees in the second phase, which could include some light manufacturing, Morrison says.

Jack Belt, vice president of development and marketing for the Greater Fort Bend Economic Development Council, says Whirlpool's high-tech distribution facilities are less labor-intensive.



Hebert

"The jobs are better paying than a normal warehouse, but there are fewer of them," Belt says.

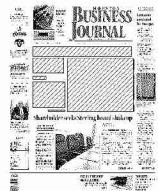
Fort Bend County Judge Robert Hebert says the county will still generate \$62,000 a year in tax revenue from Whirlpool during the abatement period.

Hebert says the tax incentive was instrumental in luring Whirlpool to the county, and suggests the company would have located elsewhere without it.

"Fort Bend County, in this last decade, has been one of the nation's leaders in new job creation," Hebert says. "It's really helped us during this recession."

### CHANGING THE DYNAMIC

Whirlpool sells home appliances under brand names such as Whirlpool, Maytag, KitchenAid, Jenn-Air and Amana. The Benton Harbor, Mich.-based corporation has 67,000 employees around the world who generated approximately \$17 billion



in sales in 2009.

The appliance giant's distribution center stands to have a significant impact on Kendleton, which had no commercial business to support 562 residents when the CenterPoint Intermodal Center was announced two years ago (see "Intermodal project taking fast track," May 9, 2008).

"This is a Fortune 500 company coming to do business in Fort Bend County," says County Commissioner Morrison. "I think it's going to change the whole dynamic in Western Fort Bend County."

Morrison notes how the new hub will fit into Whirlpool's global distribution process. Appliances manufactured by Whirlpool in the Pacific Rim will arrive in Kendleton by way of the Port of Lazaro Cardenas on the Pacific Coast of Mexico. Products will transfer from ship to railroad in Mexico for the trip to Texas. The goods would be transferred from rail to

truck in Kendleton for their final destination throughout the United States.

The intermodal park's status as a free-trade zone means Whirlpool will not pay taxes on goods until they reach the final unloading point.

Belt of the Fort Bend Economic Development Council believes Whirlpool will stir up more activity at the CenterPoint Intermodal Center.

Upon build-out, the \$300 million intermodal center could hold 7.5 million square feet of distribution, warehouse and intermodal space, and employ 2,500 to 5,000 people.

The Whirlpool deal gets the center off to a whirlwind start.

Says Belt: "It's a real game changer, in the sense that we in Fort Bend County have a major industrial presence." ■

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