

## **KBR Announces Katy Campus**

KBR announced plans to develop a campus facility near Katy, Texas. The campus will be located off Grand Parkway and Interstate 10 (I-10). KBR has signed an earnest money agreement and intends to enter into a long-term lease for the new facility, which is expected to be just over 910,000 square feet. KBR will continue to maintain a corporate and operations presence in downtown Houston. Maintaining a downtown Houston presence will give KBR the flexibility to support engineering, project management and government contracting opportunities throughout the energy corridor in west Houston. While definitive documents have yet to be finalized, construction is expected to begin before year-end with completion anticipated in 2010.

"As future opportunities for new business continue to be reviewed, it is apparent that access to talented labor from two locations at each end of the Energy Corridor on I-10 will be a crucial element of KBR's continued growth and success," said William P. Utt, KBR Chairman, President and CEO. "Not only will the new campus enable KBR to meet our future growth demands, but it will also provide the Company with a more favorable location amongst its growing employee and customer base in the Houston metropolitan area."

KBR's West Houston Campus will utilize low-rise, tilt-wall construction and is being designed within LEED (Leadership in Energy and Environmental Design) specifications, to align with KBR's Commitment to environmental stewardship and sustainable development.

"We are certainly pleased and excited that KBR has selected Katy for its new West Houston Campus. This project will have a strong economic and corporate impact on the Katy Area for many years to come. Katy Area EDC worked on the project with The Staubach Company Team for about a year and a half to facilitate the location in the Katy Area," noted Lance LaCour, President and CEO of the Katy Area Economic Development Council "It was a long intensive process. We provided technical assistance with infrastructure related issues and developed and packaged an incentive program that was creative and competitive. The incentives proposal included reimbursements from the Municipal Utility District for infrastructure, grants from the Katy Area EDC Opportunity Fund, applications for training programs, local workforce recruiting assistance, electricity efficiency incentives, permitting assistance, use of certain facilities for training and Company events; goodwill incentives and discounts from local private vendors, and other support for employees relocating for the project."

A large number of sites in West Houston were considered for the project. " We believe our proximity to the Energy Corridor, our phenomenally deep and world class talent pool, large available sites, and our ability as Community to show our strong sense of cooperation and partnership helped us come out on top in the site selection process," noted LaCour.

LaCour thanked EDC Chairman Woody Mann and the Executive Committee of Katy Area EDC for their strong support of the project, as well Greer Pagan and the Cimarron Municipal Utility District, Ann Hodge and the Katy Area Chamber of Commerce, CenterPoint Energy, LaCenterra at Cinco Ranch The WorkSource, and Tradition Bank, and JNS for the support they provided to the EDC on this project. LaCour expressed his deep appreciation to The Staubach Company Team and President Dan Bellow, and the Trammell Crow Company for their outstanding work to locate KBR in the Katy Area.