



# BUSINESS

**DOW:** 34,852.67, up 292.69 (up 0.8%)  
**S&P:** 4,497.63, up 64.32 (up 1.5%)  
**OIL:** \$81.16, up \$1.06 (up 1.3%)  
**NATURAL GAS:** \$2.56, down 2 cents (down 0.9%)

HOUSTONCHRONICLE.COM WEDNESDAY, AUGUST 30, 2023 PAGE B8

## Offshore auction draws little interest

### German energy firm agrees to pay \$5.6 million to develop massive wind farm off Lake Charles

By James Osborne  
WASHINGTON BUREAU

WASHINGTON — The first ever offshore wind auction in the Gulf of Mexico drew limited interest from an industry focused on better options along the East Coast and struggling under increased interest rates and inflation.

RWE, a German energy firm, agreed to pay \$5.6 million Tuesday to develop more than 100,000 acres off Lake Charles, La., enough space to build a 1.24 gigawatt wind farm capable of

powering 435,400 homes, according to the U.S. Bureau of Ocean Energy Management.

There was only one other bidder, and the lease price worked out to a fraction of the billion-dollar bids for offshore wind leases in the Atlantic Ocean. Two designated blocks off the coast of Galveston auctioned by the Biden administration Tuesday did not receive any bids.

“There’s so many other places for offshore wind developers to focus their efforts, where there’s less competition from other renewable energy sources

and higher power prices,” said Becky Diffen, a Texas-based clean energy attorney. “We can build a 500 megawatt wind farm onshore here much easier than most other places.”

Unlike many states along the East Coast, Texas has not set any target for offshore wind development. At the same time, Texas’s power market, operated by the Electric Reliability Council of Texas, has some of the lowest power prices in the country.

The auction comes at the Biden administration seeks to fast-track development of offshore wind farms along U.S. coastlines, already approving construction of four commercial

**Auction continues on B12**



Drew Angerer/Getty Images

**A German company agreed to develop a wind farm as part of President Joe Biden’s plan to fast-track offshore energy projects.**



Kirk Sides/Staff photographer

**Construction progresses Tuesday at the Residences at the Allen tower near downtown and Buffalo Bayou Park.**

## Luxury condo-hotel redefining skyline

### 35-story tower near Buffalo Bayou Park nears completion

By Marissa Luck  
STAFF WRITER

If you’ve picnicked, played or passed by Buffalo Bayou Park in the past four years, you’ve probably noticed a massive 35-story skyscraper under construction towering over the volleyball players and pedestrians below.

The Residences at the Allen tower has redefined the skyline near one of Houston’s most popular recreational destinations near downtown, and it could begin to redefine the residential and hospitality scene along the bustling Allen Parkway corridor.

Construction on the first \$290 million phase of a broader mixed-use development is nearing completion roughly four years after Houston real estate developer DC Partners broke ground. DC Partners is planning more upscale restaurants, retail and greenspaces at the same site in future phases.

The Residences at the Allen is the first luxury condominium-hotel tower built in Houston in years, a high-end high-rise with 99 condominium units paired with a 171-key Thompson Hotel in the same tower.

Most residential projects coming online in the broader downtown and Montrose areas in recent years have been luxury apartment rentals, but DC Partners wagered that Houstonians would pay to own a home in a high-rise with a unique design and hotel amenities overlooking Buffalo Bayou Park. So far, its bet appears to be paying off: Just 20 units are left for sale despite the headwinds of a slower real estate market. Residents are expected to start moving in this fall.

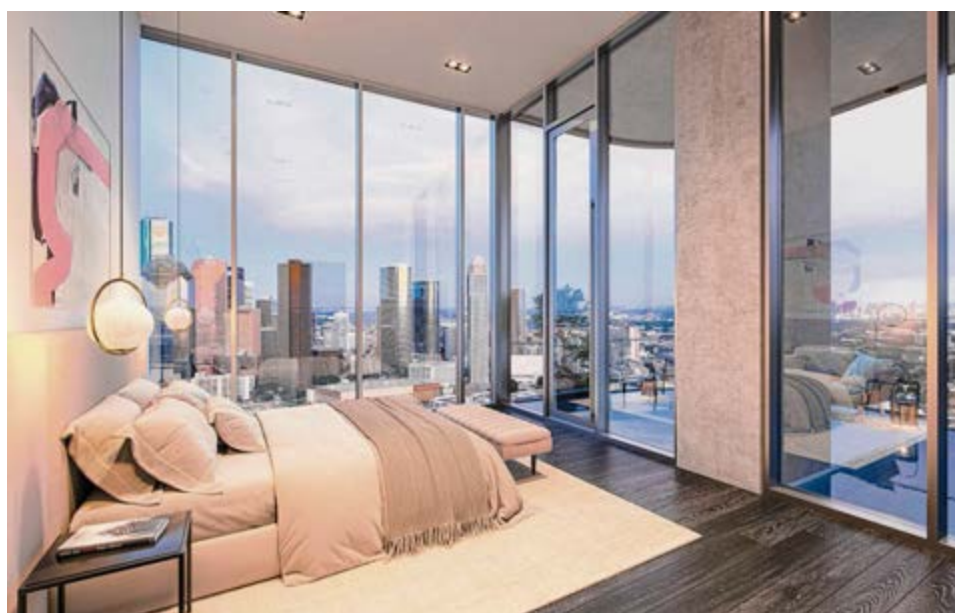
After Houston’s luxury condominium sales volume soared by almost 77 percent in 2021, the broader real estate downturn dragged that segment of the market down

**Allen continues on B9**



Monochrome Concepts

**A rendering shows Toca Madera, a high-end Mexican steakhouse opening by the end of the year at the Pavilion at the Allen next door to the condo-hotel tower.**



DC Partners

**Four remaining penthouse units are available, starting at \$3 million, sales director Samuel Katz said. They’re among just 20 units left for sale in the tower.**

## Signs show job market cooling in July

By Christopher Rugaber  
ASSOCIATED PRESS

WASHINGTON — Businesses posted far fewer open jobs in July and the number of Americans quitting their jobs fell sharply for the second straight month, clear signs that the labor market is cooling in a way that could reduce inflation.

The number of job vacancies dropped to 8.8 million last month, the Labor Department said Tuesday, the fewest since March 2021 and down from 9.2 million in June. Yet the drop appeared to be even steeper because June’s figure was initially reported as 9.6 million. That figure was revised lower Tuesday.

July’s figure was still healthy historically — before the pandemic the number of openings had never topped 8 million. And there are still roughly 1.5 available jobs for each unemployed worker, which is also elevated but down from a peak last year of 1.9.

“While it might take more

**Jobs continues on B12**

## Brewery’s new system worth over \$22 million

By Erica Grieder  
STAFF WRITER

Anheuser-Busch will spend \$22.5 million on a new cooling system at its Houston brewery in the Pleasantville area, the company announced Tuesday.

The new system, expected to be fully operational by the end of the year, is a welcome investment, said Ryan Hudgins, the brewery’s general manager. It’s expected to reduce electricity usage by 2.2 million kilowatt-hours per year as well as improving workplace safety and facilitating the 30-day brewing process.

“We’ve done a very good job of reducing our electricity usage anyway,” Hudgins said at a Tuesday morning event at the brewery’s tasting room. “But this summer, we didn’t expect it to be this hot. The hotter it is, the harder it is.”

While products such as Bud-

**Brewery continues on B11**

**CHRIS TOMLINSON**

*Chris Tomlinson is on vacation. His column will resume when he returns.*



## THE MOTLEY FOOL

### ASK THE FOOL

#### The biggest brands

**Q: What are the world's biggest brands?**

*S.G., Columbus, Ind.*

**A:** Different organizations publish rankings of brand values regularly, with results that can vary due to different approaches and weightings.

According to Interbrand, one well-respected brand consultancy, these were the Top 10 global brands of 2022 and their values: 1) Apple, \$482 billion; 2) Microsoft, \$278 billion; 3) Amazon, \$275 billion; 4) Google, \$252 billion; 5) Samsung, \$88 billion; 6) Toyota, \$60 billion; 7) Coca-Cola, \$57.5 billion; 8) Mercedes-Benz, \$56 billion; 9) Disney, \$50 billion; 10) Nike, \$50 billion.

It's interesting to see how rankings change over time. In Interbrand's 2022 list, for ex-

ample, Instagram's brand value of \$36.5 billion was up 14% year over year, while Facebook's \$34.5 billion value was down 5%.

**Q: If I own 1% of a company's stock and it earns \$100 million, do I receive 1% of that — \$1 million?**

*D.E., Erie, Pa.*

**A:** Not exactly. If you own shares of a public company, you do own a portion of it — typically a very small one, though. (For example, if you own 600 shares of Boeing, that's only a tiny piece of the roughly 600 million shares it recently had outstanding.)

When companies report their earnings, they don't distribute them all immediately to shareholders. Instead, they may spend some to further their growth — by hiring more workers or buying more advertising, perhaps — or to pay down debt, among other op-

tions. Many companies will reward shareholders by paying some of their earnings out as dividends, or by repurchasing (essentially retiring) some shares, which makes existing shares more valuable.

Even if a company reinvests all its earnings in growth, shareholders can profit — because as the business becomes more valuable, so, typically, does its stock.

### FOOLISH TRIVIA

#### Name that company

I trace my roots back to 1874, when I was incorporated in Baltimore as the American District Telegraph company. I built the first security system network for homes, and in my early years, I employed men to make the rounds of customer homes each night, checking for trouble. I pioneered always-on central monitoring systems, automated burglar systems and

automated fire alarm systems. Today, with a recent market value near \$6 billion and more than 17,000 staffers, I serve more than 6 million customers. I'm growing in the arena of residential solar energy, too, via my Sunpro business. Who am I?

**Last answer:** *LG Corp.*

### THE MOTLEY FOOL TAKE

#### Dividend to consider

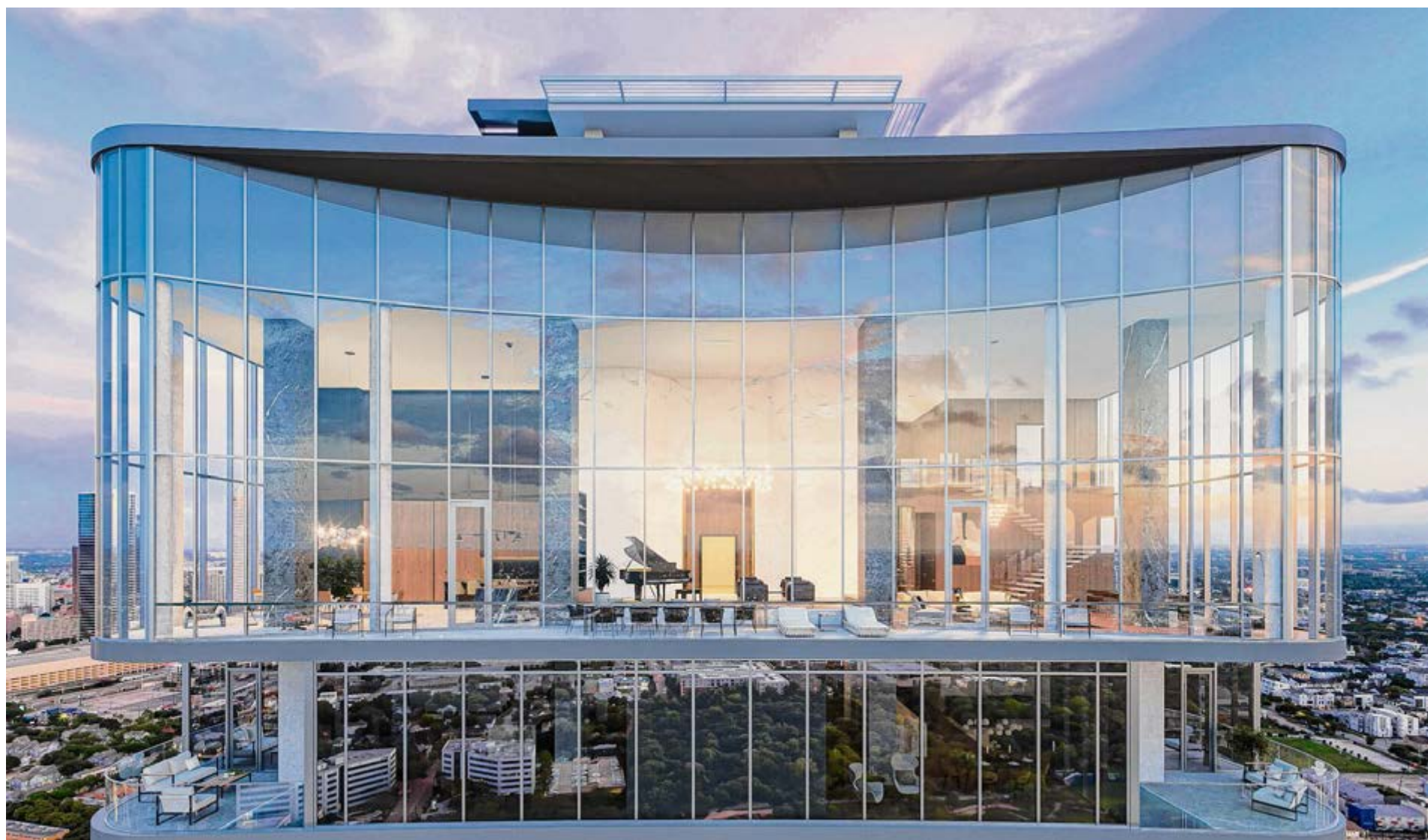
Verizon Communications (NYSE: VZ) recently reported mixed second-quarter results. Net income fell 10% year over year and revenue slipped 3.5%. But with some help from pricing increases, the company's wireless segment revenue grew 3.8%, and the broadband business is showing potential.

Progress for Verizon's fixed wireless service was particularly strong, and it looks like there's room for continued expansion. Through high-

speed 5G offerings for homes and businesses, Verizon has been able to make its broadband services available in areas that are otherwise dominated by regional monopoly providers of wired internet. By the end of 2025, it expects to have between 4 million and 5 million fixed wireless subscribers — up from its current base of 2.3 million.

A key attraction for investors is the company's dividend, which recently yielded a fat 7.8%. Verizon faces competition and is carrying a lot of debt, but it's also generating billions of dollars in free cash flow that can help pay down debt while supporting its dividend. The stock also seems undervalued, with a recent forward-looking price-to-earnings (P/E) ratio around 7.1 — well below its five-year average of 10.6. (The Motley Fool has recommended Verizon Communications.)

*Andrews McMeel Syndication*



DC Partners

A rendering shows penthouse spaces located at the top of the Residences at the Allen condo-hotel tower. Penthouse buyers can purchase the shell of the home and hire their own designers or purchase the space with the interior design plans DC Partners already has sketched out.



EoS Fitness

EoS Fitness, formerly Texans Fit, has a 34,000-square-foot gym within the Pavilion at the Allen next door to the tower.

## ALLEN

From page B8

by 13 percent last year, according to Houston Association of Realtors. Luxury condo sales stumbled by 9.5 percent year over year in the first seven months of the year as many would-be buyers sat on the sidelines amid economic uncertainty.

Buyers snapped up The Allen's one-bedroom condominiums quickly. Remaining non-penthouse units start at \$1.8 million, Samuel Katz, sales director at the project, said. Four remaining penthouses start at \$3 million.

The Allen was expected to appeal to affluent transplants from coastal markets accustomed to high-rise homeownership. While those buyers showed up, the tower is drawing more residents from elsewhere in Houston such as River Oaks and Memorial, Katz said.

"More than any projects that we've been involved with, (this building) is attracting a little bit more of a local buyer crowd," Katz said. "This building caters to the buyer who's ready to put the estate-style home behind them and graduate to a more service experience."

That service includes access to the same perks as hotel guests, including valet, concierge services, room service and access to a hotel spa, pool and a helipad, once the Thompson opens by the end of the year.

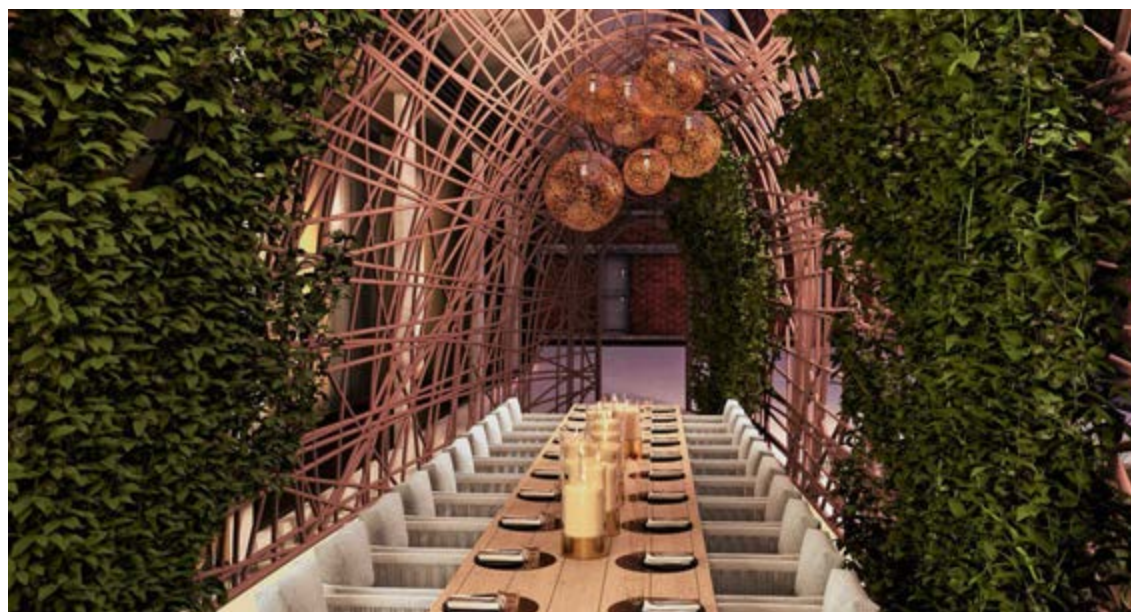
The developer has completed construction on the 62,000-square-foot retail building next door. With a design resembling a spaceship, the Pavilion at the Allen is home to a 34,000-square-foot gym by EoS Fitness — formerly Texans Fit. High-end Mexican steakhouse Toca Madera is scheduled to open in a roughly 11,000-square-foot space by the end of the year, according to restaurant owner Noble 33. Noble 33 also is designing what it bills as a swanky Mediterranean restaurant, Meduza Mediterranea, in a roughly 11,000-square-foot rooftop space to open next spring.

The developer is still planning the next phase of its mixed-use project, which will no longer feature office space as originally planned. Coming into the pandemic, Houston's office market already struggled with chronically high vacancy rates, and the shift to hybrid work since the pandemic's peak is still casting a shadow on the entire office market nationally.



DC Partners

A rendering shows a penthouse unit. Sales director Samuel Katz said the Allen is expected to draw mainly coastal transplants, but it also has seen strong demand from local buyers.



Monochrome Concepts

An area of the Mexican steakhouse Toca Madera is nicknamed the bird's nest.

"As we continued to work on the site and see how the area evolved, we wanted to make it less dense and create some

more green space to better complement Buffalo Bayou Park. Instead of doing more office towers, we wanted to focus

more on residential, traditional retail (too)," said Acho Azuiké, chief operating officer at DC Partners.