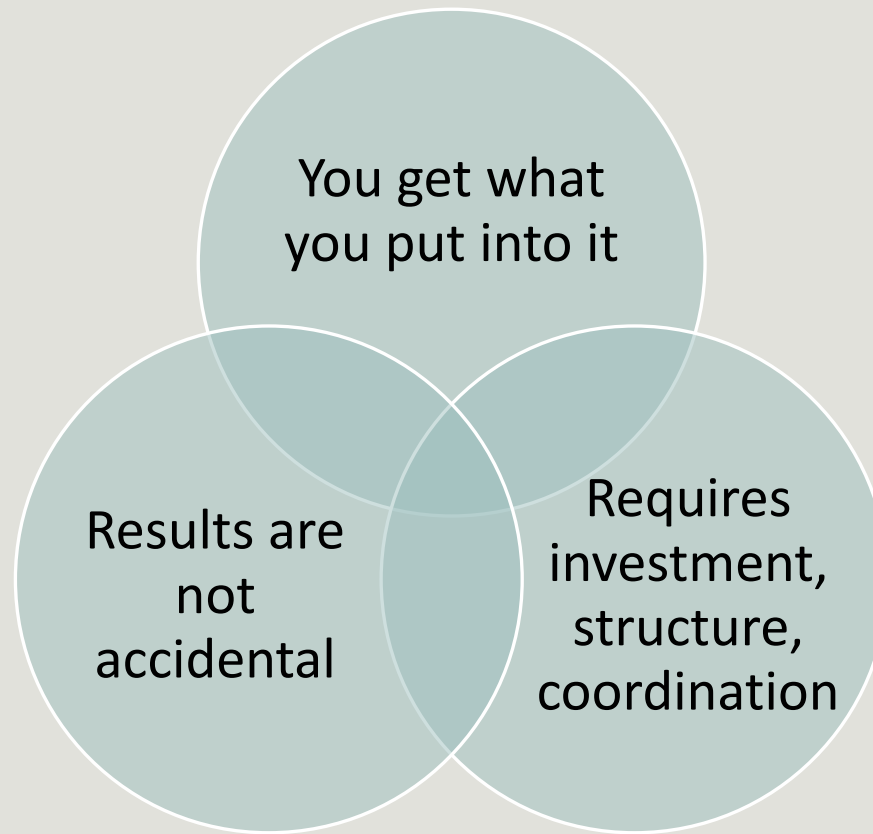


Laredo: Where
Transportation
Drives
Economic
Strategy

STATE OF
TRANSPORTATION
& ECONOMIC
DEVELOPMENT
FORUM

MAY 6, 2026

Economic Development is Intentional



What Economic Development Looks Like in Laredo



Trade & logistics



Manufacturing & Smartshoring



Tourism & regional identity



Infrastructure & mobility



Business environment

Building Capacity for Growth

1

Expanding and focusing our economic development footprint

2

Increasing coordination between public and private partnerships

3

Aligning resources with opportunity

Partnership with LEDC

Integrated approach

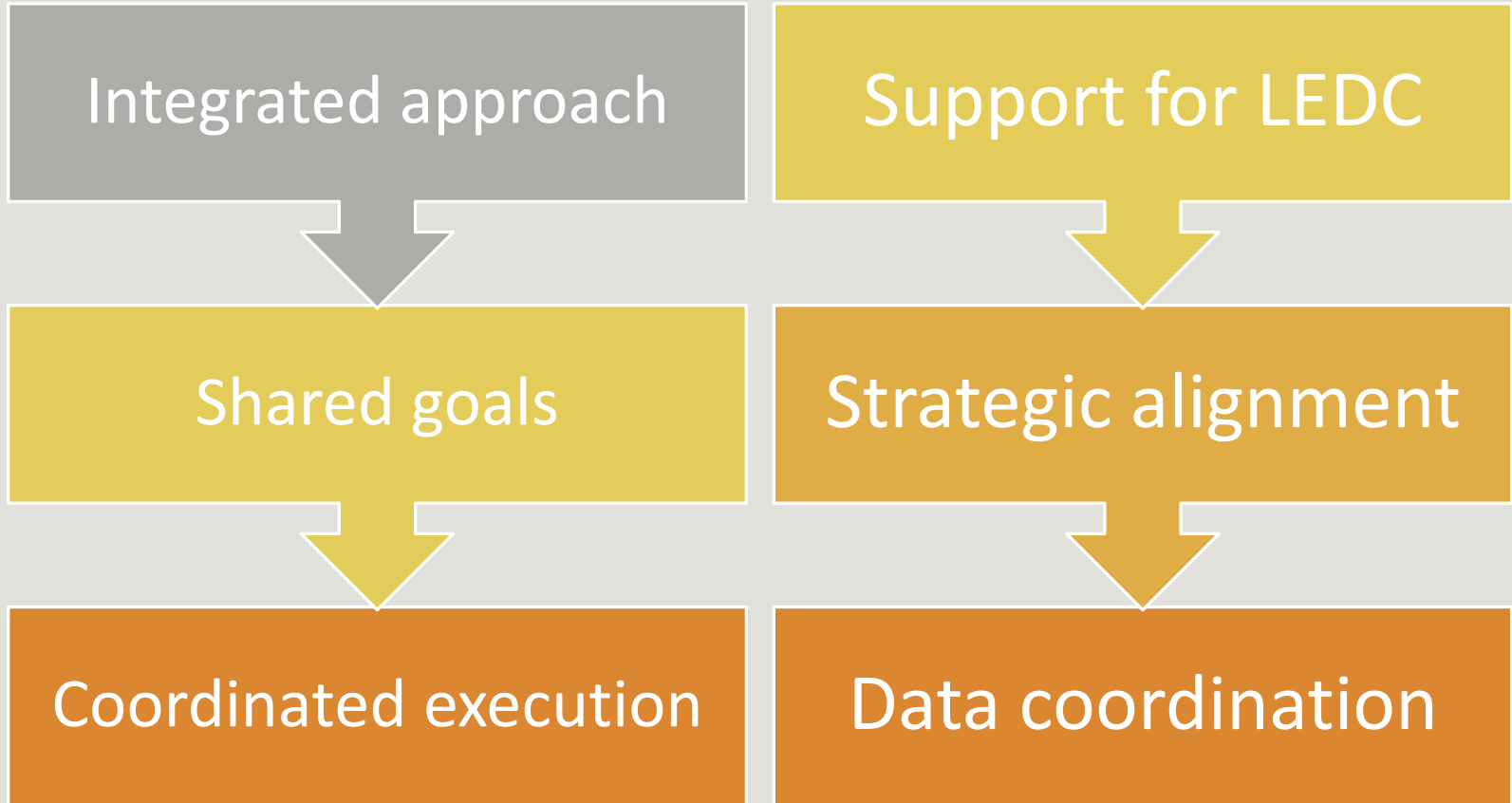
Support for LEDC

Shared goals

Strategic alignment

Coordinated execution

Data coordination



Growing the Tax Base

Grow the base, not rely on taxes

- Our priority is to grow the tax base—not rely on increasing taxes—by bringing in new investment and economic activity.

Sustainable, balanced funding

- At the same time, we are aligning user-based rates, such as our bridge system, to ensure the services that support growth are funded appropriately.

Long-term focus

- This creates a more balanced and sustainable approach—where growth, not tax increases, drives long-term stability.

Business-Friendly Government



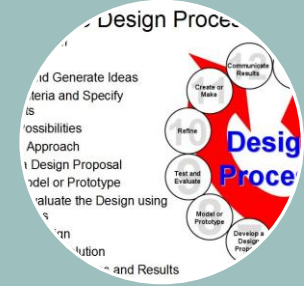
Permitting
improvements



Incentive
review



Standardized
procedures



Predictable
processes



Shovel-ready sites

Having shovel-ready sites allows us to respond quickly when opportunities arise and reduces uncertainty for investors.

Infrastructure coordination

We are coordinating infrastructure in advance so that development can move forward without delays.

Faster response capability

And just as importantly, we're improving our response time—because speed and predictability are critical in today's competitive environment.

Development Readiness

How Laredo Became a Powerhouse

USMCA

USMCA reinforced North American trade and positioned Laredo as the primary inland gateway for cross-border commerce.

Nearshoring

Nearshoring accelerated production closer to the U.S., increasing reliance on Laredo as a critical logistics hub.

Infrastructure investment

Strategic investment in bridges, corridors, and systems allowed Laredo to handle growth at scale and remain competitive.

Why Now

USMCA review

- The upcoming USMCA review gives us a defined moment to reassess how trade works and where more value can be created.

Supply chain shifts

- Global supply chains are being restructured, with production moving closer to the U.S. and increasing demand on border regions like Laredo.

Competitive window

- This creates a window where regions that move quickly and align their strategies will lead, while others will be left behind.

The Strategic Shift



LOGISTICS → VALUE
CREATION



SMARTSHORING APPROACH

Smartshoring Strategy

Manufacturing +
logistics

- Smartshoring integrates manufacturing with logistics, turning Laredo from a pass-through point into a value-generating hub.

Focus: Nuevo León,
Tamaulipas,
Querétaro

- These regions offer immediate alignment with Laredo through existing supply chains and industrial strength.

Binational
alignment

- Long-term success depends on treating this as a binational system, not separate economies.

Manufacturing Incentives & Tax Abatement

Strategic use of tax abatements

Focus on manufacturing & value-added industry

Supporting Smartshoring opportunities

Expanding long-term tax base

Alignment with infrastructure and workforce goals

Port Laredo & Bridges

Bridge expansion

- Expanding our bridge system is critical to keeping pace with growing trade volumes and avoiding bottlenecks that impact the entire supply chain.

Corridor focus

- We're taking a corridor-based approach—focusing on key routes like Mines Road and Loop 20 to improve efficiency from entry to distribution.

Supporting trade growth

- Ultimately, these investments are about ensuring Laredo can continue to support—and compete for—long-term trade growth.

Total Downtown Public Commitment \$108M+

Over the last 10 years, the City of Laredo has increased its investment in the downtown with over \$108M:

- Direct Investment
 - \$28M–\$30M
- Incentives
 - ~\$18M+
- Infrastructure
 - ~\$2M
- Grade separation grant
 - \$58.5M

Future Drivers



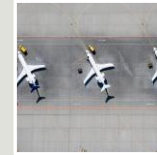
Power & water capacity

- Future growth depends on our ability to provide reliable power and water capacity to support industry at scale.



AI & advanced manufacturing

- Emerging industries like AI and advanced manufacturing are shaping demand, and Laredo is positioning itself to support those sectors.



Airport and Rail as catalyst

- Expanding the role of our airport and rail network creates new opportunities to move goods, connect businesses, and support economic development.

A Regional Opportunity

Trade + manufacturing + tourism

- What we're seeing now is the convergence of trade, manufacturing, and tourism into a single regional economic system.

Shared growth

- This creates an opportunity for shared growth—where success on one side of the border supports success on the other.

Binational strategy

- To fully realize that opportunity, we have to approach it as a coordinated binational strategy, not separate efforts.

The Path Forward

Invest
strategically

We have to continue investing in the infrastructure and systems that support long-term growth.

Align
partners

Success depends on alignment across public, private, and binational partners working toward shared goals.

Execute
consistently

And ultimately, it comes down to execution—following through with discipline and consistency.

Laredo is moving

Aligned.

A light orange downward-pointing arrow indicating a transition from the 'Aligned' stage to the 'Prepared' stage.

Prepared.

A light yellow downward-pointing arrow indicating a transition from the 'Prepared' stage to the 'Leading' stage.

Leading.