

# BUSINESS BRIEFS

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Whether you're working on a project at home or in the office, it often feels like you take two steps forward and one step back. Bay Area Houston has certainly had its share of "back stepping" over the past 18 months. In regard to NASA's budget, we've had to deal with a Continuing Resolution, the 2010 NASA Reauthorization Act, and the 2012 budget, which is reflective of the previous budget rollout. This was compounded by the disappointing announcement that Houston was not selected to receive a retired orbiter. This particular issue is not complete as we work toward a more equitable distribution of the orbiters.

However, even with all of this back stepping, the good news is that the region keeps moving forward, one step at a time. In Section II, you'll see that BAHEP continues work to form BayTech. This will be a public/private 501(c)(3) non-profit corporation, which will utilize the region's extensive knowledge base to meet the research and development needs of various federal agencies. BayTech's goals are to create and preserve Bay Area Houston jobs and generate revenue streams for consortium participants.

Another step forward reaches across the Atlantic to Norway. We've been involved in very productive conversations with business leaders from Stavanger, Norway, for the past couple of years. In February, BAHEP hosted the First Annual Stavanger-Houston Space - Energy Conference where representatives from Norwegian businesses collaborated with representatives from NASA Johnson Space Center and the local aerospace contractor community. The conference brought together leaders from the Norwegian energy industry and the U.S. aerospace sector to discuss, define, select, and describe collaborative projects.

Other BAHEP initiatives involve growth at Ellington Field, preservation of jobs in the maritime industry, the potential of adding another university in Bay Area Houston, as well as 48 additional projects.

I've also been meeting with Don Kelly, Encore Business Consulting, Inc., and Glenn Freedman, EduSafe Systems, Inc., to outline BAHEP's five-year strategic plan. We, together with our board of directors and feedback from our members, will develop a plan that will guide BAHEP from 2012 - 2016.

The path of progress isn't always smooth, but this region continues to move forward while we at BAHEP remain committed to work hard for its growth.

Best regards,

Bob Mitchell  
President, Bay Area Houston Economic Partnership

## I. Special Honors

### Senator Kay Bailey Hutchison Receives 2011 Quasar Award

Bay Area Houston Economic Partnership presented its prestigious 2011 Quasar Award for exceptional leadership in economic development to United States Senator Kay Bailey Hutchison during its annual Quasar Award Banquet on Jan. 21, 2011, at the



South Shore Harbour Resort and Conference Center. The senator received the award in acknowledgment of her successful campaign to pass the NASA Authorization Act of 2010, which saved thousands of NASA jobs, and for her strong leadership on behalf of Ellington Field. The sold-out event was an outstanding success. Bob Mitchell of BAHEP said, "Senator Hutchison has been a champion for many initiatives that make a huge difference in the economy of the Bay Area Houston region - aerospace, education, healthcare, and Ellington Field. It was a privilege for us to be able to honor her with BAHEP's Quasar Award in recognition of her outstanding work." Robert Ellis, 2011 BAHEP board chairman and group president of Wyle Integrated Science & Engineering Group, said, "Our community, our region has benefited greatly due to the determination and vision of Senator Kay Bailey Hutchison. She has served the State of Texas well. We wish her the very best in the concluding years of her public service and in the new chapter of her life that will follow."



## II. Business Assistance Programs

### Public/Private Consortium to Preserve Region's Knowledge Base

BAHEP continues work to form BayTech, a public/private 501(c)(3) non-profit corporation, to capitalize on this region's vast knowledge base to meet the research and development needs of various federal agencies. The goals are to create and preserve Bay Area Houston jobs and generate revenue streams for consortium participants. BayTech will act as a liaison between the government funding agencies and participant partners allowing participants to focus on research and technology solutions, freeing the participants from the administrative demands of the projects.



**Amid Risks, Global Growth Outlook Positive - Recent gross domestic product (GDP) growth forecasts suggest that the advanced economies' rebound from the global financial crisis is on solid ground and that emerging economies continue to lead the recovery by a substantial margin.**

[www.dallasfed.org](http://www.dallasfed.org)



### BAHEP Legislative Agenda for 82nd Texas Legislative Session

BAHEP and the Clear Lake Area Chamber of Commerce partnered to take a joint legislative agenda to the State Capitol on Feb. 16, 2011. Fifty-six travelers participated in this highly successful trip led by BAHEP's Political Protocol Committee, chaired by Marcy Fryday of Lakewood Yacht Club. The delegation made a total of 61 scheduled visits with legislators on key appropriations committees. The legislative agenda included Education Priorities, Maritime Jobs Preservation, Ellington Field Joint Reserve Base, Aerospace - Human Space Exploration, Healthcare - Small Business Perspective, State Franchise Tax - Small Business Perspective, and Telecommunications Priorities. Resolutions for Ellington Field JRB and Aerospace - NASA were read on both the Senate and House of Representatives floors. The delegation held follow-up meetings with Senator Mike Jackson, Representatives John Davis, Larry Taylor, Ken Legler, and Randy Weber, who had previously reviewed and provided input to the legislative priorities. Trip sponsors were AT&T and AMOCO Federal Credit Union, both BAHEP members.



### BAHEP Cited for Initiatives to Bring Space Shuttle Orbiter to Region

NASA's decision not to select Houston as the home of a retired space shuttle orbiter was best recognized by Harris County Commissioner Jack Morman who, during a recent news announcement, stated, "I want to acknowledge the citizens of the Bay Area and veterans of the NASA family who have worked so hard to bring a Space Shuttle Orbiter home to Houston. The Bay Area Houston Economic Partnership worked tirelessly during this effort. There is no shame in losing when the deck is





stacked against you. This was a political decision. There is no other explanation.”

### Commissioner Jack Morman Addresses BAHEP Members

Harris County Precinct 2 Commissioner Jack Morman addressed the BAHEP membership at a meeting on March 23, 2011. He first discussed NASA’s budget and his commitment to assist BAHEP in its efforts to assure that NASA maintains a viable human space exploration program. The commissioner also expressed his support for BayTech, a consortium of BAHEP members that will connect non-space related jobs to federal agencies that need research and development assistance. He gave an overview of his initiatives to build roads, maintain parks, and provide county services that are needed to improve and encourage economic growth in the region. Among the crowd of over 140 elected officials and business leaders in attendance were: Harris County Intergovernmental Relations Director Ron Servis, Harris County Justice of the Peace Holly Williamson, Webster Mayor Pro Tem Beverly Gaines, El Lago Mayor Brad Emel, Seabrook Mayor Gary Renola, Galveston County Commissioner Ken Clark, Kemah Council Member Robin Collins, Twila Lindblade of Congressman Ron Paul’s office and Lisa Holbrook of State Representative John Davis’ office.



The top 10 tourist destinations -- France, Spain, USA, Italy, China, UK, Austria, Mexico, Germany and Canada -- account for 49.6 percent of all tourist arrivals worldwide. [www.nationmaster.com/facts/Economy](http://www.nationmaster.com/facts/Economy)



### State of the Economy Address by Noted Economist and Sociologist

BAHEP held its Fourth Annual State of the Economy general membership meeting on Feb. 14, 2011. Well-known economist Robert F. Hodgin, Ph.D., University of Houston Clear Lake, and Stephen Klineberg, Ph.D., co-director of Rice University’s Kinder Institute for Urban Research, spoke to the large luncheon gathering about trends in Texas, Houston, and the nation. Hodgin had cautiously optimistic news for the BAHEP members. He noted that the U.S. economy is well into the recovery phase of the business cycle. The Clear Lake region, Houston and Texas all show up-turns in activity with total employment and total spending rising. Hodgin added that the double dip recession threat is gone along with that of deflation. Both the recovery and future growth appear to be sustainable. Hodgin concluded his presentation stating that the number one U.S. goal is to reach and sustain a growth rate of 3.5 percent per year to absorb job seekers and to moderate, but not totally resolve, the federal debt quandary. Klineberg said, “There has been a fundamental and irreversible transformation to the ethnic composition of the Texas, Houston, and American population which can be seen nowhere more clearly than in Houston. The United States is becoming a microcosm of the world. By 2040 the entire population of the United States will be majority minority. The American future is here in Houston now.” More than 150 business leaders and elected officials were in attendance.



### Preserving Jobs in the Marine and Tourism Industries

BAHEP has worked hard to maintain the region’s waterfront lifestyle, including working in tandem with the Gulf Coast Yacht Brokers Association to modify Texas’ Sales & Use Tax laws and regulations to make them user-friendly and competitive with recent changes in other states’ tax laws. The net effect will be more jobs for service company employees, boat repair facilities, fuel docks, marinas, restaurants, hotels, vendors, crews, etc. Additionally, the waterfront lifestyle motivates many families to acquire a second vacation home or boat locally, and it is a major driver of visitation and tourism to this area. This initiative resulted in the “Maritime Jobs Preservation” legislative priority taken to the 82nd Legislative Session on Feb. 16, 2011.





### Prospect Review Meeting

BAHEP staff members reviewed their projects on March 24, 2011, with city, county and member representatives, and discussed upcoming marketing opportunities and trends. Reports on economic development activities were provided by each city and county representative. Attendees were: Angela Forbes, City of Dickinson; Karen Capps, City of Friendswood; Susie Allen and Jean Ann Spivey, Harris County; Stacey Osborne, City of La Porte; Chris Reed and Mary Chambers, City of Nassau Bay; Paul Davis, City of Pasadena; Keith Miceli, Port of Houston Authority; Teresa Vazquez-Evans, City of Seabrook; Karen Coglianesse, City of Webster; Kevin Venable, AMOCO Federal Credit Union; Kent Dussair, CDS Market Research; John Collins, Merge9i; Glenn Bratcher and John Haas, GSL Welcome Group; Jeanette Holt, J Holt Properties; Mark Witte, J. A. Billipp Co.; Dane McKittrick, LCS Constructors; Kimberly Fleming, MaximGroup; Jamie Ballard, Regions Bank; Johnny Smith and Ruben Munoz, Waste Connections of Texas; Zan Shafer, Water & Power Technologies; Jeff Mickler, Jacob White Construction; Doug Freedman, United Equities; and Bob Mitchell, Barbara Cutsinger, Dan Seal, Paul Chavez and David Braun of BAHEP.



### Ellington Field Economic Development Initiatives

Bob Mitchell of BAHEP met with Col. Ken Wisian, commander of the 147th Reconnaissance Wing, Texas Air National Guard, on Feb. 1, 2011, to discuss which BAHEP legislative priorities for the 82nd Legislative Session affect Ellington Field. Discussions also included potential partnerships and growth opportunities for the Texas Air National Guard. On Feb. 24, 2011, Dan Seal of BAHEP met with Col. Wisian, Ellington Airport Manager Brian Rinehart, and John Martinec and Gene Tulich, co-chairs of BAHEP's Ellington Field Task Force, to discuss future military expansion needs at Ellington Field.



The element Californium is often called the most expensive substance in the world (as much as \$68 million for one gram).

[www.sciensational.com/chemistry](http://www.sciensational.com/chemistry)



### Houston Region Economic Development Alliance Meeting

Barbara Cutsinger and Dan Seal of BAHEP attended the HREDA meeting on Feb. 7, 2011, to discuss economic developments and best practices with 35 Houston area ally economic development organizations. Discussions included alternative sources for state-wide economic data, since the state will no longer fund "Sites on Texas," a tool used by many organizations including BAHEP. Carlton Schwab, Texas Economic Development Council president, gave a report on how he thought the 82nd Legislature would impact economic development issues. He said the Texas Enterprise Fund would probably be reduced tremendously but not eliminated. Schwab said there would likely be little support for continuing the Emerging Technology Fund. He stated that other states are incentivizing prospects to bring in business. Recently, a solar panel prospect considering Freeport, Texas, decided to locate in Michigan instead for \$50 million in incentives.



### Sen. Cornyn Keynote Speaker at Houston Maritime Association Luncheon

Bob Mitchell, at the invitation of Captain Tom Tray of Bay-Houston Towing Co. and chair of BAHEP's International Maritime Advisory Committee, attended the Houston Maritime Association Luncheon on Jan. 18, 2011, featuring guest speaker U.S. Sen. John Cornyn, who spoke on the importance of the industry and the implications to the region from the widening of the Panama Canal.





### Maritime Education Initiatives

Dan Seal of BAHEP participated in education curriculum development programs throughout the region to provide guidance on the initiatives. These included:

- Port of Houston Authority Maritime Academy Committee
- Houston Independent School District Professional Development Learning Center Workshop to plan the year’s activities for the Port of Houston Partners in Maritime Education and Maritime Committee
- Monthly meetings to discuss continuing developments of maritime curriculum at the San Jacinto Maritime and Technical Training Center
- Monthly meetings at San Jacinto College’s central campus to discuss maritime curriculum classes designed for dual credit approval at the college level at Pasadena ISD, La Porte ISD, and Houston ISD.



### Maritime Committee Strategic Plan

Dan Seal of BAHEP collaborated with steering committee members of its International Maritime Advisory Committee (IMAC), including Griffin Communications Group and Amstel Holdings, Inc., to initiate development of a three-year strategic plan for IMAC. IMAC, led by Chair Captain Tom Tray, vice president and general manager, Marine Division, Bay-Houston Towing Company, completed its third year in 2010, and the objective of the new plan is to update and revise its goals for the next three years.



Construction employment in Texas in December 2010 totaled 586,300, an increase of 6% from December 2009 and a decrease of 13% from the state's peak in May 2008. In 2009, construction workers' pay in Texas averaged \$48,983, 6% more than all private sector employees in the state.

[www.agc.org/galleries/econ/TXstim.pdf](http://www.agc.org/galleries/econ/TXstim.pdf)



### BAHEP Participates in Plant Manager Meetings

BAHEP’s Paul Chavez attends the Bayport area industrial district plant manager meetings on a monthly basis to network with peers within the industry and to discuss projects as well as issues facing the industry. During the January 2011 meeting, discussions centered on upcoming legislative issues and plans for Texas Chemical Day in Austin. Additionally, there was a discussion on plant expansions. The February 2011 meeting also focused on last minute issues with Texas Chemical Day, the upcoming Caring for Texas event, and energy issues.



### BAHEP Facilitates Meeting between Cities in the Region and IEDC

BAHEP arranged a meeting between representatives of the International Economic Development Council and Bay area regional cities on Jan. 12, 2011, to discuss how to recover from non-natural disasters that affect communities. The IEDC is a non-profit membership organization that serves the economic development profession with its members representing city economic development organizations, chambers of commerce, technology development agencies, educational institutions and redevelopment authorities.

### Houston Airport System “State of the Airport Address”

Dan Seal attended the Houston Airport System “State of the Airport Address” on Jan. 27, 2011, presented by Department of Aviation Director Mario Diaz and hosted by the Greater Houston Partnership. “For Houston’s economy to continue its vibrant growth, we must position our airport system to make it possible for Houston to remain closely connected with emerging markets and strong economic centers globally,” said Diaz. “We can no longer be satisfied to merely be connected with every major city in the U.S. and Western Europe. We must now seek to position Houston as a major nexus in the global air transportation grid.”





### **Ike Dike - Storm Surge Protection**

Dan Seal of BAHEP attended a meeting convened by Dr. William Merrell, interim CEO, Texas A&M University at Galveston, on March 11, 2011. Dr. Merrell has been instrumental in exploring storm surge suppression solutions. It was decided that Dr. Merrell would brief Galveston County Judge Mark Henry on the status of the Ike Dike.

### **Small Business Committee Learns about State Legislative Process**

Galveston County Tax Assessor Cheryl Johnson presented a step by step approach on how to effectively participate in the legislative process on Jan. 19, 2011: 1. Identify laws that affect your issue; 2. Identify which legislative committees those laws move through and; 3. Go online ([www.capitol.state.tx.us](http://www.capitol.state.tx.us)) and sign up for bill and committees alerts, then review bills and track their movement, provide input through telephone calls, faxes, e-mails, personal testimony, and letters to the editor. This was a very enlightening meeting and was well received by the 25 small business members in attendance.



### **BayTran Presents State of the Counties Address**

Bob Mitchell, along with BAHEP staff members, attended the Bay Area Houston Transportation Partnership 12th Annual State of the Counties Address on March 3, 2011, in downtown Houston. The program featured reports from Brazoria County Judge Joe King, Galveston County Judge Mark Henry, and Harris County Judge Ed Emmett. BAHEP hosted Commissioner Steve Phelps, Port of Houston Authority, and Ken Fickes, David Turkel, Nancy Powell, and Annie Yang, all from Harris County.



Texas became the 28th state to enter the Union on Dec. 29, 1845. Today, millions of tourists spend well over \$44 billion annually in Texas visiting more than 100 state parks, recreation areas, and points of interest such as the Gulf Coast resort area, NASA Johnson Space Center in Houston, the Alamo in San Antonio, the state capital in Austin, and the Big Bend and Guadalupe Mountains National Park. [www.factmonster.com](http://www.factmonster.com)



### **Inside Clear Creek Independent School District**

Harriet Lukee of BAHEP attended Inside CCISD meetings on Jan. 28 and Feb. 25, 2011, to gain insight into educational programs offered to students and how the district creates a climate of success for its 37,000 students. During the two meetings, Superintendent Dr. Greg Smith gave presentations covering student attendance, state ratings, graduation rates, cost savings measures, curriculum development and funding issues being addressed by the 82nd Texas Legislature. The Inside CCISD attendees were given tours of various school classes including the Gateway to Technology and Synergistics Laboratory where the group observed students hard at work designing a 3-D modular mechanism.



### **BAHEP Five-Year Strategic Plan**

BAHEP's Bob Mitchell met with Don Kelly, Encore Business Consulting, Inc., and Glenn Freedman, EduSafe Systems, Inc., on March 15, 2011, to outline BAHEP's strategic plan for the next five years. Kelly and Freedman will work with the BAHEP board of directors, the BAHEP membership, member municipalities, and Mitchell to develop the plan.



### **Dickinson Economic Development Corp. Learns about BAHEP**

Barbara Cutsinger of BAHEP gave a presentation to the Dickinson Economic Development Corp. board members on Feb. 7, 2011, on BAHEP's economic development initiatives and how the organization works with the city to achieve its economic development goals. EDC Board Member Libby Moreno commended BAHEP for its newsletter, *Business Briefs*, which is distributed quarterly to city



### **BAHEP Participates in Friendswood City Council and CEDC Meetings**

Dan Seal attended the Friendswood Community Economic Development Committee (CEDC) meeting on March 2, 2011, to discuss current economic issues in Friendswood. Seal also attended the Friendswood City Council work session on March 21, 2011, to discuss community goals, economic development incentives, and future target prospects for the city.

### **BAHEP Attends League City Comprehensive Plan Event**

Dan Seal and Barbara Cutsinger of BAHEP attended the League City open house on the new vision for economic development in League City called the Comprehensive Plan - Year 2035. The event on March 23, 2011, consisted of a visual presentation by Tony Allender, director of Land Management, and Marcus Jahns, city manager. Attendees included League City Mayor Toni Randall, Mayor Randall's Chief of Staff David Benson, and City Council Member Tim Paulissen.

Retailers saw growing confidence on the part of Houston consumers, with discounters, department stores and high-end retailers reporting continued month-to-month gains. Auto sales for the first quarter were up a solid 6 percent in Houston, led by a 12 percent increase in trucks and SUVs. The return of \$3.50 per gallon gasoline puts this momentum in truck sales in jeopardy. [www.dallasfed.org](http://www.dallasfed.org)

### **BAHEP Attends Pasadena State of the City Address**

An overflow audience at the Pasadena Convention Center heard City of Pasadena Mayor Johnnie Isbell address the state of the city, which included many highlights and accomplishments, and speak of the city's challenges in the upcoming year. BAHEP was acknowledged by the mayor during his presentation as being one of the main contributors to the success of Pasadena's economy, and he commended BAHEP for its role in landing a new company in Pasadena, Water and Power Technologies. BAHEP attendees included Bob Mitchell and BAHEP staff members.

### **Seabrook Meeting with PHA Trade Development Manager**

Dan Seal of BAHEP facilitated an introduction between Teresa Vasquez-Evans, director of Economic Development for the City of Seabrook, and Keith Miceli, Trade Development manager for the Port of Houston Authority, on March 31, 2011, to discuss development opportunities between the City of Seabrook and the Port of Houston Authority.

## **III. Marketing & Sales**

### **First Annual Stavanger-Houston Space - Energy Conference**

BAHEP hosted the First Annual Stavanger-Houston Space - Energy Conference in which a delegation of 80 representatives from Norway businesses collaborated with representatives from NASA Johnson Space Center and the local aerospace contractor community on Feb. 8 - 9, 2011. The objective of this event was to discuss, define, select, and describe collaborative projects between the Norwegian energy industry and the U.S. space sector. The exciting program was comprised of three workshops which ran in parallel covering: Robotics; Safety and Mission Assurance; and Materials. Dan Seal conducted a teleconference on March 31, 2011, with Dick Sanger, chair of BAHEP's International Business Development Committee, and Knut Oxnevad, liaison to Stavanger, Norway, energy companies, to discuss and follow up on opportunities flowing out of the conference. The Norwegian delegation will return to Houston for additional meetings during the Offshore Technology Conference, May 2-5, 2011.



### **BAHEP Continues Initiative to Recruit Aeronautical University**

Dan Seal is working with senior executives from Embry-Riddle Aeronautical University (ERAU) to assist in filing an application for the Texas Enterprise Fund. BAHEP, working in conjunction with the Houston Airport System (and others), has developed an incentive package worth several million dollars to attract ERAU to the Houston area. ERAU is the world's oldest, largest, and most prestigious university specializing in aviation and aerospace. This will be the third campus for the university; initially it will consist of as many as 1,500 to 2,000 students and 200 employees. The list of potential locations for ERAU's campus was whittled down to two locations including Houston.



### **2011 Chemicals Day at Texas Capitol a Big Success**

BAHEP's Paul Chavez and more than 150 chemical industry executives, site leaders, and environmental, health and safety personnel attended the very successful Texas Chemical Council/Association of Chemical Industry of Texas "Chemicals Day" at the Texas Capitol on March 9, 2011. "Chemicals Day gives industry representatives the opportunity to meet with elected officials to discuss the importance of the chemical industry in Texas," said TCC President Hector Rivero. "It's a great opportunity to promote how our industry enhances the daily lives of Texans." Attendees were briefed on key industry issues and heard from Senate Natural Resources Committee Chairman Troy Fraser (R-Horseshoe Bay) and House Environmental Regulation Committee Chairman Wayne Smith (R-Baytown). The group also heard from Gov. Rick Perry's Legislative Director Ken Armbrister and House Speaker Joe Straus' General Counsel Jesse Ancira. One way the group educated the legislative offices about the industry was to deliver a reusable plastic shopping bag containing consumer products made from materials at TCC/ACIT member Texas facilities. Some of those products included a bottle of water, soap, salt and pepper, aluminum foil and post-it notes just to name a few. The TCC Outreach Committee delivered about 275 bags to legislative offices.



**More than a third of the world's airports are in the United States. American planes take-off a staggering 8.5 million times per year - almost half the number of take-offs worldwide.**

[www.nationmaster.com/facts/Transportation](http://www.nationmaster.com/facts/Transportation)



### **Texas Economic Development Council Conference**

Paul Chavez attended the TEDC meeting in Austin, Texas, on Feb. 16 - 18, 2011. This conference focused on legislative issues as well as workforce training concerns, manufacturing trends in Texas, competitive marketing ideas, Texas' budget challenges, and rural issues. One highlight from this conference included a lengthy report on the manufacturing sector in Texas and how it compares to the rest of the U.S., as well as Mexico and China. Interestingly enough, Texas features a lower risk/cost factor in every category for new business development except for labor cost. However, the perception that it is cheaper to conduct business in China and Mexico continues to prevail. Economists and consultants noted that the tide is starting to turn back towards U.S.-based manufacturing, with a strong look at the Texas market.



### **Economic & Real Estate Outlook Symposium**

The keynote speaker for the event was Ted Jones, senior vice-president and chief economist for Stewart Title. His presentation focused on economic news and indicators regarding the residential real estate market but included information on manufacturing, investments, and global events that impact the region. Barbara Cutsinger of BAHEP attended and networked with real estate professionals in the audience to develop project leads. More than 60 people representing the Houston real estate industry were in attendance.





### Gulf Coast Medical Device Manufacturers Reception

This event was sponsored by MediTech Strategic Consultants, B.V., held on Jan. 18, 2011, at the Café Moustache. Barbara Cutsinger of BAHEP attended to network with Houston area medical device representatives to develop project leads. MediTech Marketing Director Kristen Weikel, formerly with the Greater Houston Partnership, organized the event. Cutsinger met with representatives of the Human Genome Sequencing Center at Baylor College of Medicine; Life Sciences & Financial Services for United Kingdom Trade & Investment, British Consulate-General; and Uson L.P., which specializes in leak detection.



### Commercial Real Estate Research Forum Hears Economic Outlook

Barbara Cutsinger of BAHEP attended the Commercial Real Estate Research Forum luncheons on Feb. 9 and March 9, 2011, to network with the researchers who work in Houston's large commercial brokerage and market research firms. Patrick Jankowski, Research vice president, Greater Houston Partnership, presented GHP's "Regional Economic Outlook" during the February meeting. Jankowski's concluding remark was that the long-term outlook for Houston is good. Twenty researchers from the research departments at commercial brokerage companies were in attendance at both meetings.



Labor market indicators showed mixed movements in April. The employment index edged up from 12 to 13, its highest reading this year. Nineteen percent of manufacturers reported hiring new workers compared with 6 percent reporting layoffs. Hours worked were essentially flat in April after increasing for five consecutive months. [www.dallasfed.org](http://www.dallasfed.org)

### Hot Projects Presentation to Women's Council of Realtors

Barbara Cutsinger of BAHEP gave her Hot Projects presentation to about 90 realtors on Feb. 10, 2011. The audience included BAHEP members Marilyn Burt, Coldwell Banker, and Tom Brown, Patriot Bank.



### Panama Canal Expert Provides Insight into Local Port Growth

Dan Seal of BAHEP met with Brad Walker, president of Endeavor Program Management, Inc., a Panama Canal consultant, on March 2, 2011, to learn of the predictions on future growth potential for the Houston region ports. The expansion of the Panama Canal, with a third set of locks, will double the capacity of the canal in 2014 by allowing more and larger ships to transit. Houston region ports are anticipating a significant increase in shipping traffic and cargo as a result of this expansion project.



### BAHEP Attends Heli-Expo to Promote Ellington Airport

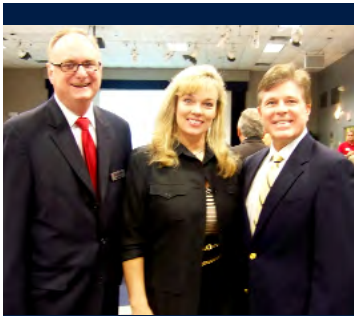
Dan Seal attended the Heli-Expo annual meeting and conference in Orlando, FL, to promote site location opportunities for Ellington Airport. Seal, along with Gwen Wagner of CenterPoint Energy and Craig Rhodes of the Greater Houston Partnership, met with prospects to discuss the advantages of Ellington Airport and the Houston Region.

## IV. Advertising, Public Relations, and Media Communications

### Regional Print Media Featuring BAHEP

Numerous publications, including *The Houston Chronicle*, *The Bay Area Citizen*, *The Pasadena Citizen* and *The Friendswood Journal*, publish Bay Area Houston's Business to Business update monthly as well as BAHEP news releases. Story topics include economic development news, the Space Alliance Technology Outreach





Program, and other information relevant to the region's business community. Copies of the most recent issues can be found on BAHEP's Web site at: <http://www.BayAreaHouston.com/Home/NewsRoom/NewArticles/>.

### Regional Online Media Featuring BAHEP

Guidry News Service publishes BAHEP news releases on events and services in Bay Area Houston. Guidry News Service is based in midtown Houston with offices in downtown Beaumont and downtown Galveston.

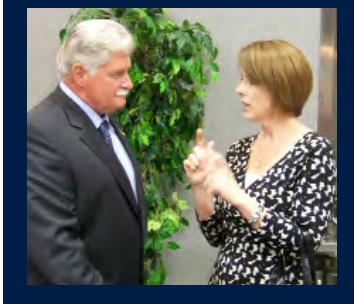
### BAHEP's E-News Publications

The e-newsletter, *The Business Development Update*, produced by BAHEP five times a year, is available online and distributed to more than 2,500 commercial brokers, developers and site consultants. *The Business Development Update* includes information regarding commercial, office, industrial, residential, retail and infrastructure development in Bay Area Houston. This publication was distributed on April 8, 2011. It can be found on BAHEP's Web site, along with archival issues, at <http://www.BayAreaHouston.com/Home/NewsRoom/BusinessDevelopmentUpdate1/>.



BAHEP's *Business Briefs* is posted on the organization's Web site. This newsletter provides brief summaries of major BAHEP activities four times per year. The Winter 2010 and archival issues are currently available for viewing in the News Room section of the Web site.

The BAHEP Twitter feed provides up-to-date news on BAHEP and the region. Read BAHEP's tweets at [www.twitter.com/bahep](http://www.twitter.com/bahep).



### YourTownTV.com Reports on BAHEP's Legislative Agenda

YourTownTV.com traveled to Austin, Texas, on Feb. 16, 2011, for BAHEP's 82nd Legislature priorities meetings. Coverage of this event can be viewed at: <http://yourtowntv.com/2011/02/18/capitol-day/>.



About 1000 Earths would fit inside Jupiter - and the Sun could hold about 1000 Jupiters. [www.sciensational.com](http://www.sciensational.com)

## V. Preserve NASA Funding Levels

### GoBoldlyNASA Trip to Washington, D.C.

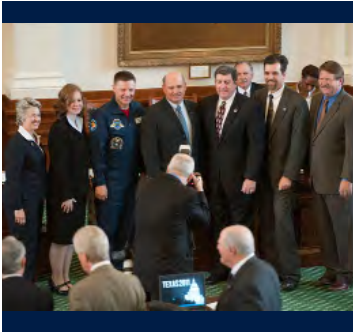
Twenty-nine travelers, including BAHEP staff members, descended on Washington, D.C., under the GoBoldlyNASA banner on March 9 - 10, 2011, to meet with freshmen members of Congress. With an original goal of meeting half of the 114 congressional freshmen, GoBoldlyNASA far exceeded that goal by meeting with 95 members (85 House, 10 Senate) before leaving Washington. Drop-off packets were delivered to the members who were not able to schedule appointments with the group. The GoBoldlyNASA objective was to meet with the new members to discuss the benefits of NASA and the need for a robust Human Space Exploration Program. Their message was well received, and many of the congressional offices requested additional information. BAHEP's Citizens for Space Exploration Committee will be headed to Washington, D.C., in June 2011, to pick up where GoBoldlyNASA left off.



### BAHEP Meets with Congressional Members on Retired Shuttle Orbiters and NASA Budget

BAHEP's Bob Mitchell traveled to Washington, D.C., on March 9 - 10, 2011, and met with Senators Kay Bailey Hutchison and John Cornyn; Steve Ruhlen, chief of staff for





Congressman Pete Olson; Congressman John Culberson’s chief of staff, Jamie Gahun; and Congressman Gene Green’s communications director, Timothy Merritt, to discuss the space shuttle retirement. Mitchell discussed the economic impact of NASA’s FY2011 Continuing Resolution and FY2012 budget with the congressional members. Discussions also included the continued funding for the Space Alliance Technology Outreach Program through the FY2012 NASA authorization budget.

### **BAHEP Participates in NASA’s Space Day at State Capitol**

Thirty-seven NASA and BAHEP travelers participated in 185 legislative office visits, including the governor’s office, on March 30 - 31, 2011, to share the economic, technological, and educational impact of NASA in the State of Texas, to highlight potential opportunities for collaboration between Texas institutions and the NASA Johnson Space Center, and participate in NASA Space Week resolutions read on the floors of the House and Senate. More than 1,500 school children visited the NASA exhibit booths on the Capitol grounds. The following organizations and groups participated in the office visits or staffed NASA booths on the Capitol grounds:

- NASA Johnson Space Center
- City of Houston
- Bay Area Houston Economic Partnership
- Aerospace contractors
- Houston Livestock Show and Rodeo
- Rotary National Award for Space Achievement
- Texas schools and universities

A kick-off reception was hosted for the legislators and their staff on March 30. The reception was highlighted by addresses from Houston Mayor Annise Parker, Reps. John Davis and Ken Legler, BAHEP President Bob Mitchell, and NASA astronaut Doug Wheelock. BAHEP’s Aerospace Advisory Committee hosted a luncheon the next day for members and staff with a program that was kicked off by Sen. Mike Jackson.

**Immigrants now comprise more than 12 percent of the American population, according to recent estimates, approaching levels not seen since the early 20th century. In 1910, immigrants from Europe and Canada comprised 95 percent of the foreign-born population in the United States. Today’s immigrants hail from a much broader array of countries, including large populations from Latin American and Asia.**  
[www.brookings.edu](http://www.brookings.edu)

### **Congressional Committee Chair with Oversight for NASA Visits NASA JSC**

Congressman Pete Olson (TX-22) invited Congressman Ralph Hall (TX-4), the chairman of the House Committee on Science and Technology, to visit Johnson Space Center and the local aerospace community on Friday, March 25, 2011. In his position as committee chairman, Congressman Hall has oversight over NASA. While he was in the area, BAHEP’s Aerospace Advisory Committee hosted a luncheon for Congressman Hall at the Nassau Bay Hilton with about 90 attendees. NASA Johnson Space Center Director Mike Coats presented both Congressmen Olson and Hall with certificates of appreciation from NASA JSC for all the work that they do for NASA. Congressman Hall spoke for about 30 minutes about his commitment to NASA.

### **Initiative on FY2011 NASA Funding**

BAHEP’s Bob Mitchell met with Chief of Staff Tony Essalih, U.S. Congressman John Culberson’s office, on Jan. 12, 2011, to discuss moving forward on NASA FY2011 funding.

### **BAHEP Perspective on NASA Johnson Space Center’s Future**

Bob Mitchell of BAHEP presented “NASA’s Budget and its Impact on the Region” to



the JSC National Management Association meeting on Feb. 22, 2011, at the Hilton Houston NASA Clear Lake hotel. Mitchell cited the economic impact of the NASA JSC related employment of 16,494 direct jobs and its \$1.55 billion payroll. He discussed the president's FY2011 NASA budget proposal and the possible job losses associated with it. Mitchell outlined BAHEP's 10-point action plan following the president's budget announcement, which included targeting local, state and federal elected officials to join the fight. A significant impact of the 10-point action plan was the formation of the GoBoldlyNASA campaign that resulted in over 61,000 letters sent to the White House and Congress expressing support for NASA's human space exploration program. Mitchell described BAHEP's initiative to preserve aerospace talent in the region through the "Preserving Aerospace Talent (PAT)" program. PAT has worked closely with aerospace contractors, the Texas Workforce Commission, area colleges, United Way, and other local organizations to provide resources to employees affected by NASA's budget. The creation of BayTech, the 501(c)(3) non-profit organization reported in Section II, is an outgrowth of BAHEP's initiative to preserve aerospace talent.

### **UHCL Voices of Colour Hears about NASA's Impact to Local Economy**

BAHEP's Bob Mitchell presented, "NASA & Clear Lake: The impact of the space industry on the area's economy," at the University of Houston Clear Lake Voices of Colour meeting on Feb. 9, 2011. Voices of Colour is a speaker series that strives to provide the UHCL community with a variety of educational programs throughout the academic year. The theme for this year's series is "Headlines" and focuses on current events affecting the world.

Seventy-seven of the nation's 100 biggest markets - with Houston and Dallas-Fort Worth leading the way - added jobs in March, according to a report issued Wednesday morning by the U.S. Bureau of Labor Statistics. Dallas-Fort Worth led the nation with a gain of 69,000 nonfarm jobs, followed by Houston (up 51,800), Chicago (up 47,700) and New York City (up 47,300).

*Houston Business Journal, April 27, 2011*

## **VI. Space Alliance Technology Outreach Program (SATOP)**

### **NASA Headquarters Hears SATOP Success Stories**

Bob Mitchell of BAHEP traveled to Washington, D.C., on March 10, 2011, to brief Mike Battaglia, NASA's SATOP technical manager. Mitchell discussed recent SATOP success stories and the status of the current 2011 national program administered by BAHEP. Battaglia said SATOP is a great program that is fully supported by NASA Headquarters and its technology transfer organization, Innovative Partnerships Program. Battaglia encouraged Mitchell and BAHEP to continue its initiatives to keep SATOP funded and operational as a national program.

### **State Legislators Informed about Importance of SATOP to Economy**

BAHEP staff members accompanied NASA JSC to Austin, Texas, on March 1, 2011, to inform legislators about the Texas Aerospace Scholars Program (TAS) and the Technology Outreach Program (TOP). Both of these programs receive state funding. NASA JSC and BAHEP representatives made 27 scheduled office visits and 26 "drop-by" visits to ask the legislators for their continued support and to describe accomplishments during the prior year.



## BAHEP Launches 2011 SATOP Program

SATOP, administered by Bay Area Houston Economic Partnership, started the year with a new round of funding from both the state and federal governments. This marks the 13th year that SATOP will provide free engineering assistance to small business owners in the region and across the state.



## Fifteen Small Businesses in the Region Helped by SATOP

SATOP completed technical assistance to 15 small businesses in the 10-county region surrounding the NASA Johnson Space Center during this report period and received six new requests for technical assistance. SATOP's Alliance Partner engineers volunteer to work with the small business owners to resolve technical challenges the companies encounter in completing the design of new products.

## SATOP Exhibits at Pasadena Chamber Business Expo

Nick Gardner and Lindsay Lahaug of BAHEP staffed the SATOP exhibit booth at the Pasadena Chamber of Commerce 2011 Business Expo at the Pasadena Convention Center on Feb. 17, 2011. More than 75 expo attendees visited the booth to learn more about this free technical assistance program.



The sun is about 93 million miles from earth, yet it's 270,000 times closer than the next nearest star, which is 4.3 light years away. That nearest star, the star that is closest to us after the Sun, is a faint star known as Proxima Centauri.  
[www.sciensational.com](http://www.sciensational.com)

## NASA JSC Evaluates Airborne Neonatal Transport Incubator

Nick Gardner of BAHEP attended the February meeting of the BioMedical Engineering Society Industry Chapter to hear Reza Aghili of NASA Johnson Space Center's Vibration and Acoustic Test Facility report on a study being performed by NASA to minimize the environmental effects of transportation on neonates. This study is a follow on to SATOP's assistance to Texas Children's Hospital through a request for technical assistance in 2008. When premature children are born away from the hospital, they are transported to the Texas Children's Hospital for care and treatment. The neonates are extremely sensitive to the environmental effects, and this study seeks to understand the sources and minimize the effects of sources such as vibration and noise. Aghili's presentation discussed the results of the studies, conducted under a NASA JSC Space Act Agreement between the two organizations, at the NASA JSC Vibration and Acoustic Test Facility and at the Texas Children's Hospital.



## SATOP Exhibits at NCMA Conference

Nick Gardner and Bob Payne of BAHEP staffed the SATOP exhibit booth on March 9, 2011, at the 2011 National Contract Management Association conference at South Shore Harbour Resort and Conference Center in League City. Gardner and Payne used the forum to educate engineers and managers working for SATOP's Alliance Partners about the benefits of participating in the program. Two new Alliance Partner engineers were recruited during the conference.



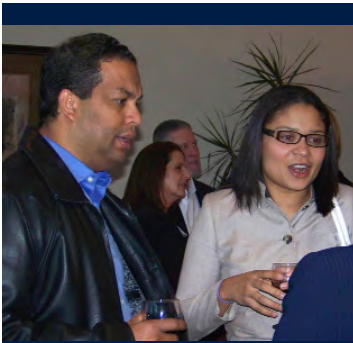
## VII. Membership

### BAHEP members

Bay Area Houston Economic Partnership owes much of its success to the active participation of its members. Following is a current list of our members:

- |                           |                          |                     |
|---------------------------|--------------------------|---------------------|
| A2B Solutions, LLC        | Advantage BMW Clear Lake | Alliance Commercial |
| The Admiral on Clear Lake | AeroSys, LLC             | Investments Inc.    |





- Alliant Technologies Inc. (ATK)
- Al-Razaq Computing Services
- AmegyBank of Texas
- American Acryl
- AMOCO Federal Credit Union
- Amstel Holdings, Inc.
- Anadarko Industries, LLC
- Archer Group with Remax
- ARES Aerospace and Technology Services
- Astrium North America, Inc.
- Astrotech Corporation
- AT&T
- Barlow Jones, LLP
- Barrios Technology
- Bastion Technologies, Inc.
- Bay Area Citizen
- Bay Area Houston Ballet & Theatre
- Bay Area Houston Transportation Partnership (BayTran)
- Bay Area Turning Point
- Bay Oaks Country Club
- Baybrook Mall / General Growth Properties Inc.
- Bayshore Medical Center
- BaySouth Maintenance Services Inc.
- Big League Dreams
- BLACKHAWK Management Corporation
- BMB Risk Management
- The Boeing Company
- Booz Allen Hamilton
- Born Wild - Innovative Promotions
- Bowers & Sadler, LLP
- Brady, Chapman, Holland & Associates Inc.
- Burrows & Curran Investment Group of Wells Fargo Advisors
- Candlewood Suites
- Capital Bank - Pasadena
- Capital Commercial Investments Inc.
- Capital One Bank
- CDS Market Research Inc.
- CenterPoint Energy
- Change Publications, Inc.
- Chemical Market Resources, Inc.
- CHRISTUS St. John Hospital
- Cimarron
- City of Clear Lake Shores
- City of Dickinson
- City of El Lago
- City of Friendswood
- City of Houston
- City of Kemah
- City of La Porte
- City of League City
- City of Nassau Bay
- City of Pasadena
- City of Seabrook
- City of Taylor Lake Village
- City of Webster
- CLC Properties
- Clear Creek Independent School District
- Clear Lake Area Chamber of Commerce
- Clear Lake Flowers & Gifts
- Clear Lake Regional Medical Center
- Coldwell Banker United Realtors
- College of the Mainland
- Colliers International
- Communities In Schools Bay Area, Inc.
- Computer Sciences Corporation (CSC)
- Concorde Realty Development
- Continental Airlines, Inc.
- Coventry Development Corporation - Houston
- Crowder Funeral Homes
- Ruby Cubley
- Cullen's Upscale American Grille
- Cypress Bay Subdivision / Marina Bay Village
- DB Consulting Group
- DCI Services and Consulting, Inc.
- Dean & Draper Insurance Agency, LP
- D.E. Harvey Builders
- Deke Slayton Cancer Center
- Devereux Texas Treatment Network
- Dickinson Independent School District
- Digitex Corporation
- DRDA, PLLC
- Eagle Applied Sciences, LLC
- Economic Alliance Houston Port Region
- EduSafe Systems, Inc.
- Encore Business Consulting, Inc.
- ERC, Inc.
- Escayg & Associates, Ameriprise Financial
- Excalibur Almaz USA, Inc.
- Express Employment Professionals
- The Eye Clinic of Texas
- Falcon Group
- Fast Signs - Clear Lake
- Friendswood Chamber of Commerce
- Friendswood Independent School District
- Frost Bank
- Futron Corporation
- Galveston County
- Galveston County Economic Alliance
- Galveston Economic Development Partnership
- GB Tech Inc.
- GeoControl Systems
- Gilbane Building Company
- Greater Houston Convention & Visitors Bureau
- Greater Houston Partnership
- The Green Event Center
- Greer, Herz, & Adams, LLP
- Gregg & Gregg, PC
- Griffin Communications Group
- Griffin Partners, Inc.
- GSL Welcome Group, LLC
- Guidry News Service
- Gulf Coast Limestone, Inc.
- Gulf Coast Waste Disposal Authority
- Gurry Mechanical, LP
- Ham, Langston & Brezina, LLP
- Hamilton Sundstrand
- Harborwalk Yacht Club & Marina
- Harris County
- Hilton Houston NASA/ Clear Lake
- Honeywell
- Houston Area Safety Council
- Houston Association of Realtors
- The Houston Chronicle
- Icon Bank of Texas, N.A.
- INEOS NOVA, LLC
- Innovative Alternatives, Inc.
- Interactive Medical Connections Inc.
- Intergulf Corporation
- ITT Technical Institute
- J. A. Billipp Company
- Jacobs
- Jacob White Construction Co.



Japan Aerospace Exploration Agency (JAXA)  
 Jennifer Whitley Interiors  
 JES Tech  
 J Holt Properties, LLC  
 John Manlove Marketing & Communications  
 The Johnson Development Corporation  
 JPMorgan Chase Bank  
 J & P Technologies  
 JSC Federal Credit Union  
 Juist, Fabio & Ward, PC  
 Kaneka Texas Corporation  
 Kelsey-Seybold Clinic  
 Kemah Boardwalk  
 Kuraray America Inc.  
 L-3 STRATIS  
 Lakewood Yacht Club  
 La Porte Independent School District  
 LCS Constructors  
 League City Chamber of Commerce & Business Association  
 Lexus of Clear Lake  
 Lockheed Martin  
 Lockwood, Andrews & Newnam, Inc.  
 Logical Innovations, Inc.  
 Madison Benefits Group, Inc.  
 ManTech International Corporation  
 Marriott  
 Marsh Darcy Partners Inc.  
 Martin Fein Interests  
 MaximGroup  
 MaxxStar / Newton Graphic and Promotional  
 M & B Engineering  
 McCormick Stevenson  
 MDA Information Systems Inc.  
 M.D. Anderson Regional Care - Bay Area  
 Meador Staffing Services, Inc.  
 MEI Technologies, Inc.  
 Melange Catering & Fine Cuisine  
 Memorial Hermann Southeast Hospital  
 Merrill Lynch  
 Mikob Properties, Inc.  
 Mills Shirley, LLP  
 Minuteman Press - Bay Area  
 Moody Gardens Inc.  
 Moody National Bank  
 MRI Technologies

My FlooringAMERICA  
 NASA Johnson Space Center  
 National Space Biomedical Research Institute (NSBRI)  
 Neptec USA  
 New Dimensions Home Healthcare Plus  
 Norman Frede Chevrolet  
 Null-Lairson PC  
 Oceaneering Space Systems Inc.  
 One Stop Party Shop  
 Orbital Sciences Corporation  
 Paragon Space Development Corporation  
 The Pasadena Citizen  
 Pasadena Independent School District  
 Patriot Bank  
 Payne's Plants  
 Pennington Chen Interests, LLC  
 Perry's Restaurant Group  
 Phillips & Company  
 PM Realty Group  
 Port of Houston Authority  
 PrimeLending  
 A PlainsCapital Company  
 Quanah Technical Services  
 Raytheon Technical Services Company  
 Regions Bank  
 Rhapsody Solutions, LLC  
 The Rothe Companies: Houston Operations  
 RSA Corporation  
 S&K Aerospace Inc.  
 SAIC  
 San Jacinto College District  
 SmithOps, LLC  
 South Shore Harbour Resort & Conference Center  
 Southwest Airlines Company  
 Southwest Airport Services  
 Space Center Houston  
 Space City Films, Inc.  
 SSCI Environmental & Consulting Services  
 Star Toyota  
 Staybridge Suites Houston - NASA / Clear Lake  
 Sterling Bank - Clear Lake  
 Stinger Ghaffarian Technologies  
 Stream Realty Partners, LP  
 Studley Inc.  
 Summit Management Group  
 Teledyne Brown Engineering

Tessada & Associates  
 Texas A&M University at Galveston  
 Texas Chiropractic College  
 Texas Citizens Bank  
 Thrivent Financial for Lutherans  
 Bay Area Group  
 Tietronix Software  
 tommy's Restaurant & Oyster Bar  
 Robert L. Trask  
 Trustmark National Bank, Texas  
 Twenty Twenty Properties, Inc.  
 TXU Energy  
 UHCL Center - Economic Development & Research  
 United Equities Inc.  
 United Space Alliance (USA)  
 Universities Space Research Association - USRA  
 University of Houston  
 University of Houston - Clear Lake  
 U.S. Development Group  
 UTMB Health  
 Vesco Business Products  
 Waldron & Schneider, LLP  
 Waste Connections of Texas, LLC  
 Waste Management of Texas Inc.  
 Water & Power Technologies  
 Wells Fargo Bank  
 Wile Interests  
 Wendell M. Wilson & Dr. Pat Potter Wilson  
 Wings Over Houston Airshow  
 Wyle Integrated Science and Engineering Group  
 YourTownTV.com



Nassau Bay Town Square groundbreaking for Saturn One Office Building, Jan. 26, 2011. Completion anticipated for September 2011.



Saturn One Office Building will be the eventual, permanent home of the Bay Area Houston Economic Partnership.

Saturn One Office Building  
May 3, 2011

