

BAHEP extends its sincere appreciation for the continued support of the *Houston Chronicle* through this monthly supplement.

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## What a difference one year makes for property owners facing huge hikes in flood insurance premiums

**By David Braun**  
BAHEP Marketing Manager

On Aug. 6, 2013, the Bay Area Houston Economic Partnership held its first meeting related to the Biggert-Waters Flood Insurance Act of 2012 (BW-12). The meeting was called as a result of several of BAHEP's member cities contacting us about the negative impact that BW-12 was about to have on the region. The meeting consisted of officials from all of BAHEP's 13 cities, Harris, Galveston and Brazoria counties, state and federal officials. With FEMA's web page showing that there are 175,729 flood policies in force in our member cities, BAHEP was quick to realize that this was an issue that was very important to our community.

### BAHEP took lead for Southeast Texas region

Following that first meeting, BAHEP took the lead for the Southeast Texas region and began building a coalition that reached from Simonton to Bridge City, Texas.

We later joined with the Coalition for Sustainable Flood Insurance, which built a national organization and led the charge to reform BW-12.

On March 21, 2014, just seven months after we first met, the president signed the Homeowner Flood Insurance Affordability Act (HFIAA) into law. This act fixed many of the problems with BW-12 that would have had a huge impact on our region.

### Norex study shows impact to cities

Shortly after the Aug. 6 meeting, Harris County

Precinct 2 Commissioner Jack Morman, through Commissioner's Court, authorized a study on the impact of BW-12 on Southeast Harris County. That study was completed by Norex Engineering and the University of Houston Clear Lake. [The study](#) can be found on BAHEP's website under FEMA.

A summary of that study found that Southeast Harris County cities would be greatly impacted if BW-12 went into effect as written.

The impact to the Southeast Harris County cities included:

- Loss of real estate value, \$270,269,940
- Loss of Annual Ad Valorem Tax, \$5,829,712 including \$3,264,639 in school taxes
- Reduction in annual business volume, \$43,127,257
- Loss of jobs, 255 jobs
- Annual reduction in personal income, \$10,514,422

The Norex study indicated that for properties impacted by BW-12, insurance premiums would jump an average of \$624.79 per policy holder. Under BW-12, many new variables would impact the cost of a flood insurance policy, including loss of grandfathering, new mapping reclassifications, a home's base flood elevation vs mapping requirements, number of subsidized policies and other variables. As such, not every policy holder would see this \$624.79 increase, while at the same time, for many policy holders, the increase would be much greater than this average.

### Realtors report home sales rebounded after HFIAA signed into law

One factor not mentioned in the study was the impact that BW-12 was having on home sales within our re-

gion. Many realtors told us that it was becoming more and more difficult to sell homes in the region with uncertainties of flood insurance policy rate increases in the near future. Immediately after the Homeowner Flood Insurance Affordability Act of 2014 was signed into law, homes sales rebounded, and sales remain brisk today.

### CDS Market Research study only includes BAHEP member cities

Since the Norex study only included cities in Southeast Harris County, BAHEP asked CDS Market Research, a member company, to help us understand the impact on all of our 13 member cities.

Some key findings of the CDS study include:

- The elimination of flood insurance subsidies is estimated to have an adverse impact to property values of approximately \$1.15 billion in BAHEP member cities, of which \$792 million (69%) will be borne out by residential owner-occupants, especially those carrying mortgages.
- The implications of a decline in residential owner-occupant property values resulting from the elimination of flood insurance subsidies would be a reduction in ad valorem tax revenue of approximately \$5.0 million annually to BAHEP member cities; the annual impact to all overlapping taxing entities (city, county, school) is estimated at \$20.2 million.

### Work continues

BAHEP continues to work with CSFI to ensure the implementation of the HFIAA, and we will remain active in the process until the next NFIP reauthorization act comes up in 2017.



On Aug. 6, 2013, Bay Area Houston Economic Partnership hosted over 50 representatives from regional cities within Brazoria, Harris and Galveston counties for an urgent discussion about the Biggert-Waters Flood Insurance Reform Act of 2012. Just seven months later, the president signed the Homeowner Flood Insurance Affordability Act of 2014 into law fixing many of the problems with BW-12 that would have had a huge impact on our region.

## Support of state legislature provides SATOP needed resources

The Space Alliance Technology Outreach Program (SATOP) provides free technical assistance to small businesses, which also helps to speed the transfer of space technology to the private sector. By offering free technology assistance to small businesses, SATOP helps them to solve their challenges and increase their chances of succeeding.

The goal of SATOP is to help as many small businesses as the budget al-

lows. Each qualifying business that submits a Request for Technical Assistance is eligible to receive up to 40 hours of free technical assistance through SATOP's Alliance Partners. Alliance Partners are the driving force behind the success of SATOP. They are essentially the fuel that powers the program. Professionals within Alliance Partner organizations volunteer their time and expertise in solving the challenges

brought forth by the inquiring businesses. SATOP has helped companies with machine design, process engineering, material selection, and many other technical issues.

Currently, SATOP's Alliance Partners include Barrios Technology, The Boeing Company, College of the Mainland, ERC, Inc., es2 technologies, GeoControl Systems, Jacobs, MEI Technologies, MRI Technologies, NASA Johnson Space Center, Oceaneering Space Systems, San Jacinto College District, and Wyle STE Group.

Bay Area Houston Economic Partnership has administered SATOP since November 1998. The program has had tremendous success by lending its free assistance to more than 800 businesses since its inception. The program has been transitioning, however, over the past two years. Formerly, SATOP received both federal and state funding. Federal funding ended in 2012, curtailing SATOP's work.

### Funding, Alliance Partners key to SATOP's success

Due to the support of Sen. Larry Taylor (TX-11) and Rep. Greg Bonnen, M.D., (TX-24) during the 83<sup>rd</sup> Texas Legislative Session in 2013, SATOP received funding to continue its work with small businesses. Without support from the state of Texas, the SATOP program would cease to exist.

Bob Payne, SATOP director, stated, "We are really appreciative of the Texas Legislature for recognizing the importance of the SATOP program. We are also grateful to our Alliance Partners. There are many SATOP success stories that are the direct result of the assistance provided by our APs. Right now we have about 15 small businesses on our waiting list. We always welcome additional Alliance Partners who could provide assistance to requestors needing help to overcome their technical challenges."

To find out more information about SATOP, call Payne at 832.536.3255 or send an email to [Payne@bayareahouston.com](mailto:Payne@bayareahouston.com).

## SATOP supplies sensational sensor to Ampcare, LLC

**By Ryan Page**  
SATOP Assistant Project Engineer

With assistance from the State of Texas-funded Space Alliance Technology Outreach Program (SATOP), a Fort Worth business is improving its ability to provide positive patient outcomes for users of its medical device, the *Ampcare ESP™*.

Ampcare, LLC is a small business which developed and sells the *Ampcare ESP™* medical device. The device is used to help patients suffering from dysphagia (difficulty swal-

lowing). A patient uses the device, similar in appearance to a neck brace, to exercise specific muscles in the head and neck. The company hopes "to eliminate pneumonia and feeding tubes due to swallowing problems by improving the options and availability of dysphagia treatment techniques."

When Russell Campbell, CEO of Ampcare, LLC



needed help in detecting the amount of force that a patient was applying to the *Ampcare ESP™* device, he contacted SATOP. After submitting a Request for Technical Assistance, Ampcare was paired with Satish Reddy, chief engineer for Science Engineering and Analytical Services at Jacobs. Jacobs provides engineering support services to NASA's Johnson Space Center and is a SATOP Alliance Partner. Also providing assistance was Jacobs Engineer Kwaku Nornoo.

Reddy worked with Nornoo to determine the best method of detecting and quantifying the force a patient applied to the *Ampcare ESP™* while using the device. They arrived at a solution that uses a pressure sensor, which is almost as thin as a sheet of paper and is readily available from commercial vendors. The prototype sensor met the requirements of Ampcare and can be integrated into the *Ampcare ESP™* without modifying the design of current components.

For more information, contact Bob Payne, SATOP director, at [Payne@bayareahouston.com](mailto:Payne@bayareahouston.com). For more information about Ampcare, LLC, visit [www.ampcarellc.com](http://www.ampcarellc.com).

## Century-old Del Papa Distributing Company joins Bay Area Houston Economic Partnership

In 2010, Del Papa Distributing Company celebrated 100 years of business. From its founding by an Italian immigrant, Omero Del Papa, in Galveston, Texas, in 1910 to

its current beer distribution operations, Del Papa Distributing has grown to selling and servicing almost 3,000 retail accounts in 17 Texas counties. Del Papa

service. Del Papa is an amazing success story based on good, old-fashioned values."

Larry Del Papa has been president of Del Papa Distributing Company since 1988, beginning his career at Del Papa Distributing as a teenager, sweeping floors and cleaning the warehouse. In 1977, he graduated from Southern Methodist University with a BBA in Business, and began his full time career at the company as an area manager.

Peter Williamson, vice president, Business and Community Relations, represents Del Papa Distributing Company within BAHEP. He commented, "At Del Papa, our core beliefs state that people are the key to our success with trust being the key to a successful partnership. BAHEP is guided by those same values, and I look forward to working together."

Del Papa Distributing Company is located at 1220 Gulf Freeway in Texas City, Texas. To learn more about the company, visit [www.delpapabud.com](http://www.delpapabud.com) or call 888.433.5727.



is committed to "building brands and friendships one case at a time" while supporting and strengthening the many communities in which its customers and employees live.

Bob Mitchell, president, Bay Area Houston Economic Partnership, welcomed Del Papa Distributing Company as one of BAHEP's newest members. He said, "There are not too many people in this part of Texas who have not heard of Del Papa Distributing Company. I believe that is attributable to its remarkable leadership and community

**BUSINESS**  
to BUSINESS is a monthly Bay Area Houston Economic Partnership publication in partnership with the Houston Chronicle. BAHEP is a member-driven organization in southeast Texas that includes more than 265 business partners encompassing 13 cities, Galveston and Harris counties, the Houston Airport System, and the Port of Houston Authority. For membership information, contact Membership Director Harriet Lukee at 832.536.3250.  
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