

## Texas Strategic Economic Development Plan Calls for Action

Swift action is needed by Texas leaders to maintain the state's economic success, according to findings in the Texas Strategic Economic Development Plan 1998-2008.

At a recent meeting of the North Houston Association's (NHA) Business Issues & Resources Committee, Martin Basaldua, M.D., of the Texas Higher Education Coordinating Board and the Texas Strategic Economic Development Planning Commission, presented findings of the "Texas Strategic Economic Development Plan 1998-2008."

"Unless action is taken now, more and more of the Texas population will be contributing less and less to the economic viability of the state," stated Basaldua. "As a result, Texas will decline as an economic leader; and all Texas citizens will enjoy less of the rewards of a strong economy."

This startling implication is based on demographic trends highlighted in the Texas Strategic Economic Development Plan 1998-2008.

According to the presentation, Texas' minority populations are growing rapidly. There will be no majority ethnic group by 2007, and the Hispanic population will be the largest ethnic section by the year 2030.

Basaldua also stated that Texas' minority populations continue to have the least access to education and training and are disproportionately over-represented in the lowest income ranges.

In order to prevent this from occurring, or to soften the blow, the Texas Strategic Economic Development Planning Commission is recommending a



*Basaldua, NHA Board Member and Governor-appointed member of the Texas Higher Education Coordinating Board and the Texas Economic Development Planning Commission, spoke on the state-wide economic development plan.*

number of strategies for education and workforce development.

One strategy is to substantially improve students' basic educational performance by implementing more rigorous academic standards, preserving and strengthening Texas' strong accountability system and by enhancing teacher preparedness and continued proficiency.

The Commission also calls for strengthening of skill-based job training in the Texas education system by fostering innovation and support of school-to-career linkages and supporting higher education linkages to business and economic development.

Production of a workforce training system that meets the needs of Texas' businesses and employees is another strategy listed by the Commission.

Basaldua also discussed higher education and other strategic economic goals, as well as recommended strategies for improving the business climate

in the state.

The Commission also made recommendations for future infrastructure development, including developing Texas' telecommunications network to meet international standards with full statewide access, ensuring that Texas' transportation infrastructure fully leverages the state's unique geographical position, and securing adequate water availability for business expansion, agriculture and population growth.

Finally, the Commission issued recommendations to promote broad-based prosperity: support targeted job creation in distressed areas, enhance the resources of universities and colleges in distressed areas and focus rural development efforts by building on specific regional competitive advantages.

For a complete set of Basaldua's presentation, contact the NHA staff at 281-875-0660.

To review the Commission's report, visit the web at: [www.governor.state.tx.us/major\\_initiatives/initiatives\\_economic.html](http://www.governor.state.tx.us/major_initiatives/initiatives_economic.html). ■

### INSIDE...

- ◆ Fifth Annual NHA Golf Tournament scheduled.
- ◆ NHA welcomes two new members.
- ◆ Environment Committee addresses subsidence concerns.

## **From the President...**

Dear NHA Members:

The 1999 Legislative Session is over, and it has been a busy one! I'm glad to be home in north Houston. As you know, I have been involved with a number of issues, including water supply, annexation and economic development.

I am pleased with the activity NHA staff, board and committee members have been involved with in my absence. The Association continues to grow, in projects and in members.

The Transportation Committee is working hard on a new Mobility Update, which promises to be our best yet. The new Business Issues & Resources Committee has been working on its reorganization, and the Environment Committee has been involved with a number of issues, including water supply and subsidence.

The Golf Tournament Committee is well underway, planning our Fifth Annual Golf Tournament. A number of major sponsors are already signed up, and there is detailed information on sponsorships in this edition of the NHA Vision. I look forward to seeing you and a number of other elected officials on the golf course in August.

*Senator Jon Lindsay*

## **Ridesharing Improves Tax Advantages for Employers, Employees**

Thanks to the Transportation Equity Act for the 21st Century (TEA-21), which was signed into law on June 9, 1998, there are new fringe benefits to commuters and an improvement of the tax advantages for both employers and employees.

According to the Internal Revenue Code Section 132(f), qualified transportation benefits for 1999 are set at statutory limits of:

- Up to \$65 a month, \$780 a year for transit and vanpools\* and
- Up to \$175 a month, \$2,100 a year for parking\*.

(\*Vanpool or transit passes may be provided in addition to parking for a total benefit of up to \$240 per month.)

Since these benefits are governed by Section 13(f), there are no plan filings required, no "use it or lose it" rules and no irrevocable elections.

Employers can offer transit benefits in four ways: tax-free benefit, pre-tax benefit, combination of tax-free and

pre-tax benefits, or cash out programs.

Tax-free benefits are where employers provide employees tax-free benefits up to the statutory limit per month for parking, transit or vanpooling. Employees do not incur federal income taxes on the benefit amount, and employers receive a tax deduction and do not incur payroll taxes.

Pre-tax benefits are where employees use up to the statutory limit per month of their gross income to pay for vanpooling, parking or transit. Employees lower their federal income taxed and employers save on payroll taxes.

A combination of the above occurs when employers provide a tax-free benefit and allow the employee to use pre-tax salary to make up the difference up to the statutory limit per month. Employers receive a tax deduction for their tax-free portion and also receive exemption from avoiding payroll taxes for the employee's pre-tax portion.

The cash out program is when em-

ployees choose what they want to do with their subsidized or free parking. Employees may elect to keep their parking benefit or give it up to receive equivalent taxable cash, tax-free transit or vanpool benefits. Employers will incur tax liabilities for employees who choose the cash out option but they will also reduce parking costs and encourage employees to use alternative commute options.

Making employers aware of the new rules is very important in taking advantage of all benefits of ridesharing.

The North Houston Association Transportation Management Organization (NHA-TMO), along with METRO, is willing to meet with employees and employers about this new legislation and the new commuter fringe benefits.

Contact Staci Adams, project coordinator, at 281-875-0660 (e-mail: [nhaadams@aol.com](mailto:nhaadams@aol.com)) to set up a meeting. ■

## NHA to Host Luncheon on Water Supply Issue

The North Houston Association will give an update on the north Houston water supply issue at its luncheon on July 14.

Featured speakers include Representative Paul Hilbert (invited), Senator Jon Lindsay, Ron Neighbors of the Harris Galveston Coastal Subsidence District and Joe Wozny representing the Alliance of North Houston Chambers of Commerce (ANHOC).

"This is an issue I have been working on for years," said Lindsay, NHA president. "None of us are immune from the effects of water supply on the region, and in the spirit of the Association's purpose, we are hosting an educational update that will include discussions on subsidence, legislation and the need to convert to surface water."

Lindsay and Hilbert will address the legislative aspect of the issue, including House Bill 2965. This bill provides the framework to build out the necessary infrastructure to meet the Subsidence District's surface water conversion man-

date while ensuring a long-term supply of water for both businesses and residents alike.

At the luncheon, Hilbert and Lindsay also will talk about future action on the issue.

Neighbors will update the audience on the Subsidence District's efforts, including its District Regulatory Plan 1999, a document the North Houston Association's Environment Committee commented on at a recent public meeting.

"We want to ensure the Subsidence District's plan is aggressive enough to prevent the continued decline in the groundwater table and its associated subsidence that increases flooding in north Houston," said

Catherine Wray, executive director.

The Subsidence District redefined the goals for conversion to surface water for north Harris County in its plan.

Joe Wozny, WSBC Civil Engineers and chairman of ANHOC, will speak on the importance of surface water to continued growth and economic development in north Houston. ■



*Rafael Ortega, Lockwood Andrews & Newnam, testifies on NHA's behalf at a recent public meeting of the Harris-Galveston Coastal Subsidence District.*

## Caldwell Watson, Othon Engineering Join NHA Membership

The North Houston Association welcomes Caldwell Watson and Othon, Inc., Consulting Engineers as its newest members.

Over the past decade, Caldwell Watson has become a firm unique in Houston's commercial real estate market. The firm was founded by Fred Caldwell in 1991 as CNI. In 1994, CNI joined forces with Houston entrepreneur Chuck Watson, changing the company's name to Caldwell Watson to reflect the power and resources of the partnership.

The firm has grown to more than 20 professionals and serves the corporate brokerage needs and the investment/development needs of companies and

private equity investors. The firm's brokerage groups are active in marketing land, industrial and office properties throughout the Houston area. Investment and development activities include income property acquisitions, land acquisitions, build-to-suit developments and speculative industrial and residential developments.

Caldwell Watson's corporate clients include The Kroger Company, Exxon Land Development and Southwest Bank of Texas. Development and marketing assignments have included Greens Crossing Business Park and Willowbrook Business Center.

Othon, Inc., Consulting Engineers also joined the Association this quar-

ter. Othon is a consulting engineering firm specializing in civil engineering, transportation engineering, environmental/ecological studies and construction management.

Headquartered in Houston, with a branch office in Dallas, the firm provides professional engineering and environmental services to municipalities, governmental entities, private industry and other engineering firms, statewide.

Current projects in the NHA service area include Gulfbank, Meadow Bank, Ella Blvd., Fairbanks North Houston, Bush Intercontinental Airport taxiway and Bush Intercontinental Airport drainage improvements. ■

## Fifth Annual NHA Golf Tournament Scheduled

NHA members can swing into action at the Fifth Annual North Houston Association Golf Tournament.

The 1999 tournament will be held at Raveneaux Country Club on Monday, August 23.

The Association is proud to announce that Harris County Commissioner Jerry Eversole and Montgomery County Judge Alan Sadler have agreed to serve as the tournament's Honorary Chairmen once again.

One public official will be assigned to complete each team's foursome unless the team prefers not to play with an official.

For the first time, the tournament has a Platinum Underwriter - Compaq Computer Corporation.

A number of other companies have already signed up for sponsorships, including JNS Consulting Engineers and Southwestern Bell, Silver Underwriters, and Carter & Burgess, Ferro-Saylors and Lockwood, Andrews & Newnam, Bronze Underwriters.

A number of sponsorships are available, including a new "Par Package." This Par Package includes a foursome, hole sponsorship, beverage cart sponsorship and four mulligans for only \$1,300.

"All sponsorship levels are still available," said Golf Tournament Committee chairman Roy Hearnberger. "Each sponsorship level can have more than one sponsor."

NHA members can take advantage of free advertising to all players by donating "goodie bag" items.

This is the only fundraiser for the Association; all other events are priced to solely cover costs. Tournament proceeds support the projects and programs of the Association.

For tournament and sponsorship information, contact Pat Wisniewski in the NHA office. ■

### 1999 Tournament Sponsorships

**Platinum Underwriter - \$5,000**

Includes two teams, company logo on NHA tournament promotional items, trophies and registration brochure, one beverage cart sponsorship, two hole sponsorships, one putting green sponsorship, preferred parking, publicity in all news releases and NHA publications, two mulligans per player, and first choice of public official.

**Gold Underwriter - \$4,000**

Includes two teams, company logo on NHA tournament promotional items, trophies and registration brochure, one beverage station sponsorship, two hole sponsorships, preferred parking, publicity in all news releases and NHA publications, two mulligans per player, and choice of public official (subject to larger sponsor).

**Silver Underwriter - \$3,000**

Includes one team, one beverage station sponsorship, one hole sponsorship, company name and logo on brochure, preferred parking, publicity in all news releases and other NHA publications, two mulligans per player, and choice of public official (subject to larger sponsor).

**Bronze Underwriter - \$2,000**

Includes one team, one beverage station sponsorship, one hole sponsorship, company name and logo on brochure, preferred parking, publicity in all news releases and NHA publications, one mulligan per player, and choice of public official (subject to larger sponsor).

**Par Package - \$1,300**

Includes one team, one hole sponsorship, one beverage cart sponsorship, four mulligans and publicity in news releases and NHA publications.

**Bag Tag Underwriter - \$1,200**

One custom-made tag is given to each player with team photo, individual player's name and Bag Tag Underwriter's company logo displayed.

**Team/Hole Sponsorship Package - \$900**

Includes one foursome and one hole sponsorship.

**Team - \$700**

Includes one foursome, lunch, dinner, driving range, shirt, eligibility for door prizes and entry for chipping and putting contests.

*The following sponsorships receive recognition in the dinner program.*

**Hole in One Contest Sponsor - \$500**

Company name and logo is displayed on a sign next to the "Hole in One Contest" prize vehicle.

**Beverage Cart Sponsor - \$500**

Company name and logo is displayed on a beverage cart.

**Food Sponsor - \$500**

Company name and logo is displayed on buffet dinner.

**Putting Green Sponsor - \$500**

Company name is displayed on putting green.

**Driving Range Sponsor - \$500**

Company name is displayed on driving range.

**Chipping/Putting Contest Sponsor - \$500**

Company name is displayed at chipping and putting contest.

**Beverage Station Sponsor - \$300**

Company name and logo is displayed on beverage station.

**Hole Sponsorship - \$300**

Company name and logo is displayed on sign at hole.

**Trophy Sponsor - \$250**

Company is recognized in dinner program.

**Individual Player - \$250**

Includes golf for one, lunch, dinner, driving range, shirt, eligibility for door prizes and entry for chipping and putting contests. (Company not recognized in dinner program.)

### Environment Committee

NHA's Environment Committee commented on Harris-Galveston Coastal Subsidence District's Draft Regulatory Plan 1999.

Rafael Ortega testified on the committee's behalf. For details on this issue, see related story on page three.

The committee held a work session in March to discuss several environmental issues in detail.

As an outcome of that session, NHA drafted a position statement regarding the creation of a regional water authority in north Harris County.

The statement reads, "The North Houston Association supports legislation that will advance the continued economic prosperity and enhance the quality of life within its service area. For these reasons, we support any efforts that will expedite the availability of a reliable, affordable, long-term, high-quality water supply for the north Houston region.

"We believe that the creation of a regional water authority, similar to what would be accomplished by SB 700, is beneficial to advancing this cause. This authority would collectively represent the interests of the residents and businesses that lie outside the city of Houston corporate limits but within the boundaries of the Harris-Galveston Coastal Subsidence District's Plan."

This position statement was forwarded to appropriate legislators in April.

The committee also continued its work on the Texas Natural Resource Conservation Commission's (TNRCC) Regulatory Guidance Document for Implementation of Texas Water Quality Certification Rules.

A position paper was drafted and distributed to legislators on this issue as it relates to Senate Concurrent Resolution #56.

In essence, the paper states that the Association supports the elimination of duplicative permitting activities

between the TNRCC's 401 water quality certification program and the review conducted by the United States Army Corps of Engineers under Section 404.

For more information on this issue, or to view the position paper in its entirety, contact Pat Wisniewski in the NHA office.

Also this quarter, Rafael Ortega, Lockwood, Andrews & Newnam, Inc., was elected to serve as the committee's vice-chairman.

### Transportation Committee

The Mobility Update Subcommittee continues to work on completing the revised document. The subcommittee has reviewed and made changes to the initial design and layout, and printing quotes are being finalized. The 1999 Mobility Update is scheduled to be available by early fall, and sponsorships will be available.

NHA's Executive Director, Catherine Wray, recently met with the Texas Transportation Commission's (TTC) Chairman David Laney, Harris County Toll Road Authority (HCTRA), Grand Parkway Association and Senators David Bernsen and Jon Lindsay regarding the future of the northern segments of the Grand Parkway.

She learned that the TTC has agreed to pay \$6.5 million with HCTRA

contributing \$1.5 million to complete the environmental work on all three segments from I-10 West to U.S. 59.

Due to marketing and public relations efforts, the Association's Transportation Management Organization (TMO) now has approximately 100 people signed up for its Guaranteed Ride Home program. This program provides a free emergency ride home for anyone participating in a van pool or car pool. For more information, contact Staci Adams in the NHA office.

The TMO also hosted a rideshare booth in April at the Houston Women's Business Council Expo at the Sheraton Astrodome.

At the booth, attendees took a fun quiz to test their ridesharing knowledge, and their names were entered into a grand prize drawing.

It is estimated that 150 people visited the TMO booth and learned about the advantages of commute alternatives.

Staci Adams, NHA-TMO, and Beth Denehie, METRO Rideshare, manned the booth.

The TMO is also beginning a new monthly publication, called the "Rideshare Review."

This informal newsletter will be sent to all NHA members and north Houston rideshare participants. ■



Staci Adams, NHA-TMO project coordinator, congratulates Therushema Maweje of Southwestern Bell, the winner of the TMO grand prize drawing at the Houston Women's Business Council Expo.

## Upcoming Events

### NHA Committee Meetings

#### Board of Directors

Dates: Jun. 1, July 6, Aug. 3  
Time: 7:30 a.m. - 9 a.m.  
Place: The Greenspoint Club  
R.S.V.P.: 281-875-0660 (regrets only)

#### Environment

Dates: Jun. 10, July 8, Aug. 12  
Time: 11:30 a.m. - 1 p.m.  
Place: Greenspoint Conference Center  
R.S.V.P.: 281-875-0660

#### Transportation

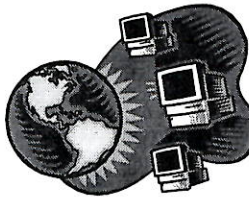
Dates: Jun. 23, July 28, Aug. 25  
Time: 11:30 a.m. - 1 p.m.  
Place: Greenspoint Conference Center  
R.S.V.P.: 281-875-0660

#### Business Issues and Resources & Workforce Development

Contact Pat Wisniewski in the NHA office for details (281-875-0660).

### How to Reach Us Via E-Mail...

Senator Jon Lindsay: [jlindsay@aol.com](mailto:jlindsay@aol.com)  
Catherine Wray: [nhawray@aol.com](mailto:nhawray@aol.com)  
Patricia Wisniewski: [nhapat@aol.com](mailto:nhapat@aol.com)  
Staci Adams: [nhaadams@aol.com](mailto:nhaadams@aol.com)  
Marlisa Stanley: [marlisasta@aol.com](mailto:marlisasta@aol.com)



### Special Thanks...

to Smith, Murdaugh, Little & Bonham, The Woodlands Operating Company and Town Center Improvement District for their generous underwriting of this issue of "NHA VISION."



#### NORTH HOUSTON ASSOCIATION

16825 Northchase Dr., Ste. 160  
Houston, Texas 77060  
Phone: 281/875-0660  
Fax: 281/875-0663

### NHA Board of Directors

Dennis W. Petersen, Chairman  
*Lockwood, Andrews & Newnam*  
Robert T. Moore, Vice Chairman  
*Compaq Computer Corporation*  
James Curry, Sec./Treasurer  
*Hines Interests Limited Partnership*  
Jack Drake, Assistant Secretary  
*Greater Greenspoint District*  
Martin Basaldua, M.D.  
*Methodist Health Services*  
Mike Byers  
*Humble Area Chamber of Commerce*  
David G. Daleiden  
*Weingarten Realty Investors*  
Nene Foxhall  
*Continental Airlines*  
Mark Froehlich, P.E.  
*Pate Engineers, Inc.*  
Roy Hearnberger, P.E.  
*Carter & Burgess*  
Karen Hoylman  
*S. Montgomery Co. Wilds. Chamber*  
Steven C. Krueger  
*Bank One, Texas, NA*  
Charles G. Manley  
*Anadarko Petroleum Corporation*  
R. Gary Montgomery, P.E.  
*Montgomery & Associates*  
John Pickelman, Ph.D.  
*N.H.M.C.C.D.*  
Michael Richmond  
*The Woodlands Operating Company*  
James R. Royer  
*Turner Collie & Braden, Inc.*

#### Staff:

Senator Jon Lindsay  
*President*  
Catherine Wray  
*Executive Director*  
Marlisa Stanley  
*Editor*

Bulk Rate  
U.S. Postage  
**PAID**  
Houston, TX  
Permit #3112