



# QUADRANTS

NORTH HOUSTON DISTRICT NEWS

## RELOCATION DESTINATION North Houston Delivers Boutique 3PL



### **FINAL MILE NICHE**

Cardinal Delivery soars from its new location in the heart of the District.

### **THRIVING IN CHANGE**

CRE Market Report shows strong office submarket and expanding logistics.

### **SUCCESS STORIES**

There's never a dull moment with our dedicated Director of Field Services.

WINTER 2024

## WELCOME FROM THE PRESIDENT

As we prepare the Winter 2024 edition of Quadrants, North Houston is thawing out from icy conditions that kept everyone home for a few days. We're thankful to have the tools and resources necessary for our team to work remotely in situations like these, as do many companies across Houston.

This shift to hybrid working is a concept forced on most companies during the COVID shutdowns but now seems an advantage and workplace perk in the post-pandemic era of flexible schedules. The shift to remote work is causing ripples through the commercial real estate office market – especially for property owners and leasing agents wading through new expectations and smaller corporate footprints. We discuss this real-world scenario and how it impacts the District's substantial supply of office space in the Market Report on Page 6.

January is a planning period for the District, so we're looking back at achievements from last fiscal year as we set goals for the future. In this edition, we offer a peek at the work accomplished by Fields Services. If you missed it, we invite you to check out the video we released in December, which shows a bigger picture of our recent projects, programs and purpose. To see, visit [northhouston.org/news](http://northhouston.org/news).



Greg Simpson  
North Houston District President

## ON THE COVER



Jason Conner is the President of Cardinal Delivery. He and his team are building a boutique 3PL operation that provides top-notch customer experience with digital tools that help his clients scale. This Texas history buff entertains clients from all over the US and Canada in his handsome office with a view of Cardinal's 10-bay warehouse on Esplanade Boulevard. Read about his niche refrigerated delivery service in **NORTH HOUSTON DELIVERS** on page 4.

## NHD BOARD OF DIRECTORS

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The District is governed by a board of directors who serve staggered terms of four years. Directors are appointed by Houston City Council from a list of persons recommended by the District to serve on its Board of Directors.

Special thanks to our photography partner:

[Myles + Carter Photography](#)

## NHD STAFF

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Karen Davis  
EXECUTIVE ASSISTANT & OFFICE COORDINATOR

Monica Gijon  
ADMINISTRATIVE ASSISTANT

Brenda Spratt  
SUPPORT SERVICES

# NORTH HOUSTON HAPPENINGS

## EVERY DAY IN FEBRUARY

### Blind Date with a Book!

**ALDINE BRANCH LIBRARY**  
11331 Airline Drive

#### Take a chance on literacy.

Visit the library during normal business hours in February, grab a wrapped book, take a chance with just a quick description to go on, check it out, and enjoy (we hope).

Info: <https://hcpl.net/locations/ALD/> or 832-927-5410

## THIRD WEEK OF EACH MONTH

### Houston Police Department Positive Interaction Program

**HPD NORTH BELT DIVISION**  
100 Glenborough, 10th Floor

"Community Involvement in Crime Prevention"

#### COMMUNITY MEETINGS

Third Tuesday @ 7:00 p.m.

#### BUSINESS MEETINGS

Third Thursday @ Noon

Info: [hpdnorthbeltdivision@houstonpolice.org](mailto:hpdnorthbeltdivision@houstonpolice.org)

## THURSDAY MARCH 28

### Houston Police Department Blue Star Training

**CITYNORTH CONFERENCE CENTER**  
12190 Greenspoint Drive

**9:30 a.m. - 11:30 a.m.**

The HPD Apartment Enforcement Unit will host a training event for apartment communities in our area. Blue Star is a proactive program designed to reduce the potential for crime and raise awareness among apartment managers, owners, and residents.

Info: [tharrison@northhouston.org](mailto:tharrison@northhouston.org)

## FRIDAY - SUNDAY APRIL 19-21

### USA BMX Lone Star Nationals

**ROCKSTAR ENERGY BIKE PARK**  
12257 Kuykendahl Road

Three days of USA BMX racing with more than 700 competitors from all over the world, including USA BMX Pro Series racers.

Info: [rockstarenergybikepark.com](http://rockstarenergybikepark.com)

**Do you have an upcoming event, fair, festival, or meeting?**

Please share with us on social media @NHDistrict or email [cmartin@northhouston.org](mailto:cmartin@northhouston.org).

## NORTH HOUSTON DELIVERS

Homegrown boutique 3PL company offers final-mile delivery, warehouse, and freight services from the heart of North Houston District



Cardinal has dedicated customer service employees who manage inbound emails and phone calls, plus digital tools to help expedite customer onboarding.

**“OUR LOCATION WILL ALWAYS GIVE US A STRATEGIC EDGE BECAUSE OF THE QUICK ACCESS TO 45 NORTH.”**

*Jason Conner,  
President of Cardinal Delivery*

Jason Conner has a charismatic air about him. He has an innovative spark, and his wheels turn faster than most. He and his team hustle, and they understand the power of going the extra mile.

Jason is the President of Cardinal Delivery, a Houston-born 3PL company that relocated to the District in January 2023. 3PL stands for third-party logistics, a system where an organization provides logistics services to companies needing inventory management and distribution. Several companies offer 3PL in Houston, but only some can transload refrigerated groceries, just one of the niche services that helps Cardinal stand out.

### North Houston Niche

"Cardinal is one of the premier perishable good delivery solutions in Houston," said Conner. "We have trucks back in almost daily with frozen goods that go directly into one of our refrigerated box trucks, and we deliver the final mile."

But it doesn't stop there. Jason and his team are building a "Boutique 3PL" concept to partner with businesses needing nationwide freight services, seamless warehouse

storage, distribution, fulfillment, and final-mile solutions. Cardinal customers use online tools to track warehouse inventory and choose the cargo they need to release. Then, they get notifications when the shipment goes out, with pictures of how it was packed and strapped. Conner said their customized software system offers a service traditionally reserved for 3PL giants.

"We are small enough to offer single points of contact and large enough to offer modern technology that businesses want," he said. "We're not reinventing the wheel. We're offering a better customer experience."

### How It Started

In late 2018, Conner worked in food service sales for a national distributor and regularly needed a refrigerated hotshot for client catering operations. He sourced local businesses when he could, but contract trucks were often too busy to help him. So, he started planning a side business to fill the void.

On a good friend's recommendation, Conner searched for an existing company to buy and found a local business on the market. Next thing you know, Jason and his

## NORTH HOUSTON DELIVERS

North Houston Delivers is a new feature story series highlighting why businesses choose the North Houston District.

Market shifts are changing District demographics as logistics and distribution companies emerge as crucial development drivers. The buildout of Pinto Business Park, prime property conversions, and entrepreneurs investing in value warehouse is expanding our area from a primary office activity center to include a regional distribution hub, demanding its own workforce. As new land use diversifies our portfolio, brokers still tout proximity to Bush Intercontinental Airport and the intersection of I-45 North and Beltway 8 as irrefutable assets.

**New project? Big deal? Exciting expansion? Share the news with us!**

Contact Colleen Martin at [cmartin@northhouston.org](mailto:cmartin@northhouston.org) or call 281-874-2138.

friend partnered to purchase a refrigerated hotshot company called Per the Mile and grew it by 300 percent in 14 months. Jason quit his day job, and then less than three months later, COVID lockdowns pumped the brakes on their progress.

"The pandemic hit us hard," said Conner. "We were doing less than 20 weekly deliveries at one point and had to pivot. My partner recommended we acquire another courier company during the downturn, and we found a large, local, 28-year-old business called Cardinal Delivery for sale in Houston."

### How It's Going

In January 2022, the dynamic duo merged Per The Mile into Cardinal Delivery and began operating out of Cardinal's 9600-square-foot facility in Houston Heights. They updated the dispatch and warehouse software, fine-tuned internet marketing, and launched Cardinal Freight the following year.

In January of 2023, their realtor found 101 Esplanade Boulevard, a 41,000-square-foot warehouse with twice the office space as their previous facility.

"The proximity to Bush Airport, plus access to major freeways, made this a great opportunity," he said. "Our location will always give us a strategic edge because of the quick access to 45 North. With 10

**“OUR GOAL IS TO GROW CARDINAL DELIVERY INTO A PREMIER NATIONAL THIRD-PARTY LOGISTICS PROVIDER, HELPING BUSINESSES GROW BY OFFERING THEM TURN-KEY FREIGHT, WAREHOUSING, AND LOCAL DELIVERY SOLUTIONS.”**



bays, we can comfortably handle most transportation services our clients need to scale their businesses."

### What's Next

In 2024, Cardinal Delivery is growing vertically and deepening partnerships. In their warehouse operations, they have the capacity for 15,000 pallets and have 11,000 occupied with managed inventory. Additional high piles are planned for this year.

In the long term, they'd like to add another facility closer to the port to expand cargo operations and on-site refrigerated storage. They have a strategic partnership with

a nearby Houston-based, family-owned frozen food storage provider for now.

Cardinal Delivery offers a trifecta of hotshot final-mile, warehouse, and freight services with extraordinary customer experience, modern digital tools, and niche expertise in refrigerated perishable goods. They chose the North Houston District for location, opportunity, and access. Read more about Jason and the Cardinal Delivery team at [northhouston.org/delivers](http://northhouston.org/delivers).

**Cardinal Delivery**  
101 Esplanade Blvd, Suite 400  
Houston, Texas 77060  
[cardinal-delivery.com](http://cardinal-delivery.com)

## Where Location and Access intersect

- 10 minutes to Bush Airport
- 20 minutes to Downtown
- 20 minutes to The Woodlands
- 25 minutes to Uptown & Westchase
- 30 minutes to Port of Houston

North Houston District is located at Interstate 45 and Beltway 8 with easy access to Hardy Toll Road, Interstate 69, and the Grand Parkway.



Q4 2023 SUMMARY

INDUSTRIAL/FLEX

**18M** **4.4%**  
SQUARE FEET VACANCY RATE

**\$8.59** **7.5%**  
MARKET RENT PER/SF CAP RATE

OFFICE CLASS A

**4.4M** **52.4%**  
SQUARE FEET VACANCY RATE

**\$21.08** **9.3%**  
MARKET RENT PER/SF CAP RATE

OFFICE CLASS B/C

**6.2M** **34.1%**  
SQUARE FEET VACANCY RATE

**\$18.68** **9.6%**  
MARKET RENT PER/SF CAP RATE

RETAIL

**7.1M** **11.3%**  
SQUARE FEET VACANCY RATE

**\$22.54** **7.0%**  
MARKET RENT PER/SF CAP RATE

APARTMENTS

**18.9k** **8.4%**  
UNITS VACANCY RATE

**\$918** **6.3%**  
MARKET RENT PER/UNIT CAP RATE

Source: CoStar, January 2024

NHD CRE MARKET REPORT

Q4 2023

Long Range Logistics

In the Fall 2024 CRE Market Report we noted a shift from a primarily office market to include expanding logistics operations. This trend continues. The District now has approximately 18 million square feet of warehouse/industrial/flex space compared to 10.6 million square feet of office space.



District Developments

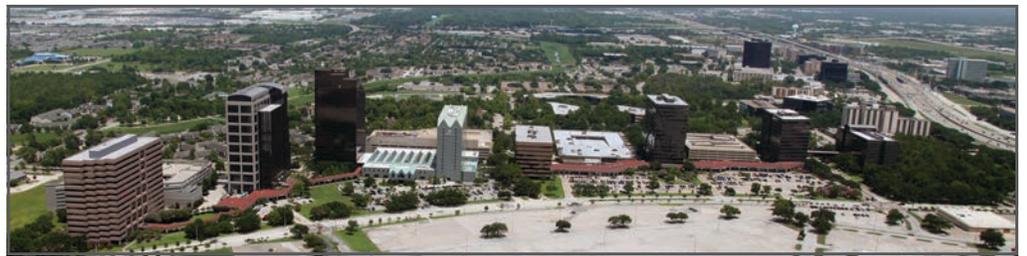
The District is tracking five projects that have been announced or are in the planning stages, four of which are logistics-related. The fifth is a new YES Prep elementary school.

An interesting common feature in our logistics projects is size. Due to recent overbuilding and nationwide financing challenges, small and mid-size projects are more feasible. Our local projects fall into those categories with a standalone 20,000-square-foot project, a mid-sized 378,000-square-foot project, and two right in the middle at roughly 150,000 square feet.

The projects also reflect the availability of developable land in the District. While one is an office-to-industrial conversion, the other four projects are on raw land. Significant raw land tracts remain available in the District.

Office Stability

Office values in the North Houston District are holding their value better than Houston overall, and the rate of repricing has been lower. Class A office market prices dropped about 6.7 percent in the Houston market last year. In the North Houston District, they dropped 4.3 percent. In the Class B/C market, prices in the Houston market dropped 6.8 percent, and in the District they dropped just 2.5 percent.



Many District office buildings were repriced during the oil and gas slump of 2015 and 2016. Now, our office values are holding better than in the City overall. We hope this relative price stability means a more sustainable local office market and new opportunities for companies restructuring to adapt to the post-pandemic, remote-work environment. However, one thing that will never change is the District's premium location at the intersection of I-45 North and Beltway 8 and its proximity to Bush Intercontinental Airport.

Read an expanded report at [northhouston.org/cre](http://northhouston.org/cre) and contact Robert Fiederlein at [rfiederlein@northhouston.org](mailto:rfiederlein@northhouston.org) for information.

The NHD CRE Market Report delivers facts, stats, and case studies about the shifts within our boundaries quarterly with each edition of *Quadrants*.



# FIELD SERVICES SUCCESSES

Asdrubal "Dru" Gutierrez serves as the Director of Field Services with a cool, "never-a-dull-moment" approach and dedication to making the District more appealing, safe, and accessible so people want to work, live and visit here. This is just a snapshot of the work he accomplished in 2023.



### FM 525 Sidewalk Recovery

Aldine Bender Road is a busy thoroughfare with businesses lining both sides and residential developments tucked behind, hence, heavily traveled by pedestrians. Last summer, District staff forged a maintenance agreement with TxDOT that resulted in the recovery of a vital stretch of sidewalk. The area is now safer, looks more appealing, and will continue to be maintained by the District.



### Low Cost, High Impact

Our Field Services Department manages a low-cost, high-impact curb painting program that improves well-traveled roadways throughout the District. In 2023, a long stretch of Airline Drive was a priority. The process includes cleanup, minor repair, and then application of fresh, bright yellow paint, which improves safety for pedestrians and motorists while attracting attention to lush median landscaping and improving the overall appeal of the corridors.



### Buckboard Park Tree Planting

The Greens Bayou Coalition hosted a tree-planting volunteer day at Buckboard Park, where 33 people gathered to plant 25 trees. Several homeschool families, groups from Coca-Cola Southwest Beverages and SWCA Environmental Consultants, two Landcare reps, two GBC staffers as well as NHD employees Asdrubal "Dru" Gutierrez and Robert Fiederlein with his wife, Penny, placed trees into pre-excavated holes, covered them with mulch, and staked the trees into place.

## 2023 BY THE NUMBERS

589

STREETLIGHTS REPORTED & REPAIRED



VOTE  
NO MORE  
BANDIT SIGNS

4799

BANDIT SIGNS REMOVED



505

INSTANCES OF GRAFFITI REMOVED



211

FIELD SERVICE INSPECTIONS

5621

MILES TRAVELED DURING DISTRICT INSPECTIONS



62

STREET SWEEPING MILES SERVICED



# QUADRANTS

NORTH HOUSTON DISTRICT NEWS

16945 Northchase Drive, Suite 1900  
Houston, TX 77060  
281-874-2131  
northhouston.org



The North Houston District is a management district that advocates for projects and services that attract the best in commercial and residential life to the area.

It's a special-purpose district created by the Texas Legislature and provides enhanced services in public safety, planning and development, beautification and maintenance of public rights of way, and development of parks and trails.

The District's service area includes four quadrants that span across the intersection of I-45 North and Beltway 8.



## ¿Habla español?



¡Lea nuestra  
última edición de  
Quadrants en línea!

[northhouston.org](http://northhouston.org)

## Where Convenience and Value intersect

From light manufacturing to warehouse and supply chain distribution, companies in the North Houston District keep business moving.

### Make Your Move.

