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Dear Client:

It's a simple sign. Just four words. It can be seen on numerous Austin city streets. Yet it may signal a drawn-out debate over the next two years. It belongs to Michael McCaul, one of six Congressmen representing Austin. But, the sign's design may indicate he has his eye on a much bigger prize – the Texas USSenate seat currently held by Ted Cruz – who will be seeking re-election in 2018.

As we said, the sign is simple. The four words: **“Michael McCaul. For Texas.”** How can you read so much into this political sign? **It's what it *doesn't* say, as much as what it says.** First of all, it doesn't mention his hometown of Austin. It doesn't even hint at his substantial Congressional record. Yes, he wants you re-elect him next month. But, the sign's design would be appropriate anywhere in South, East or West Texas. And that's the tip-off.

A bit of background. **The 54-year-old McCaul is Chair of the US House Committee on Homeland Security.** As such, his expertise on one of the nation's hottest topics has given him a high national profile. And, importantly, it has earned the Republican the respect of his colleagues. You may recall he was mentioned as a Speaker of the House candidate if **Paul Ryan** had declined the job. And now, **GOP leaders are whispering in his ear, encouraging him to run for the USSenate in 2018 against Cruz.**

It's no secret Republican Cruz is not liked by many in his own party.

While that has been true since Cruz took the USSenate oath of office four years ago, it was exacerbated during-and-after the maverick's run for the presidency. So the quiet move to encourage a McCaul Senate candidacy is not a surprise.

It would be a mistake to underestimate a Cruz re-election effort. Cruz is noted for his role on the national stage. (McCaul's "For Texas" phrase is a slap at that.) But Cruz is actively moving around Texas these days shoring up support. He was in West Texas last week, courting agricultural interests. His Washington office is cranking out news releases almost daily.

First elected to Congress in 2004, McCaul earned a business/history degree from Trinity University and a law degree from St. Mary's University, before moving to Austin. **Since 2008 he has been re-elected every two years with at least 60% of the vote.** But if he decides to tackle Cruz, he must give up his House seat. Keep your eye on this development.

Speaking of politics, didja know UTSYSTEM Chancellor Bill McRaven was on Hillary Clinton's initial list for consideration as vice president? It was revealed this week by WikiLeaks' email disclosures from Clinton's campaign honcho, John Podesta.

McRaven was on the list of 39 individuals selected by Clinton's top aides, including **Huma Abedin, Robby Mook** and **Cheryl Mills**, according to the email as reported by *Business Insider*. Podesta said in the email that he "organized names in rough food groups."

McRaven was in the group of "military" officials that included two others – **John Allen** and **Mike Mullen**. Other "food groups" included women, Hispanics, Blacks, business leaders, etc.

McRaven's connection to Clinton: **Admiral McRaven was commander of the United States Special Operations Command (he personally oversaw the raid that killed Osama bin Laden) while Clinton was Secretary of State.** As far as we know, there was no further mention of McRaven as the list was winnowed down before the final selection of **Tim Kaine**.

If you didn't know the exact numbers, you probably still felt it intuitively. What you realize is that large numbers of people are making the critical decision to invest in homes and grow their families in communities *outside* Austin's city limits.

The facts are black and white in the *Central Texas Housing Market Report*, released this week by the Austin Board of Realtors. Take a moment to digest these facts:

In September, fewer than one in three homes in the Austin-Round Rock metro area, and **fewer than one in five homes in the Central Texas region, were sold within Austin's city limits.** The metro includes Travis, Williamson, Hays, Bastrop and Caldwell counties.

As a matter of fact, even as **overall single family home sales increased year-over-year across the metro area, City of Austin home sales declined year-over-year last month.** This is occurring in one of the fastest-growing areas in the US.

Now add this set of facts to the situation: **the median price of homes *outside* the city limits increased 7.5%** from a year ago ... **while the median price of homes *inside* Austin's city limits increased 10.6%.**

Draw your own conclusions. But there is no doubt **increasing population, crowded roadways** and a **shortage of Austin housing which has significantly driven up housing cost**, are all contributing factors. Austin is joining the ranks of numerous US cities that have seen urban development lead to suburban flight. Change in sight? Ummmm, not immediately.

Ready for this? Peak car ownership in the United States will occur around 2020, and will drop quickly after that. This is the prediction by the nonprofit Rocky Mountain Institute (RMI) that has been engaged to do work for the City of Austin. Take a look at the logic behind this claim and how Austin may be impacted.

RMI says in the not-too-distant future, it may be possible for **people to let automated taxis chauffeur them around for about the same price as owning a car.** In addition, RMI projects “electric vehicles make strong economic sense to provide automated mobility service” because, in the next few years, **lower operating costs could more than compensate for higher capital costs, even without subsidies.**

Austin was singled out by RMI as a “likely launch market” for automated mobility services. It stated providers here could generate \$2.5 billion by 2025. RMI noted Google is already testing electric, autonomous vehicles in **Austin, a city that has a “high percentage of early adopters compared to other cities.”**

RMI also considers **Texas to be an emerging market for automated vehicles,** based on favorable weather conditions and the assumption that the state will allow driverless vehicles.

A report released this week rated Texas cities on how “friendly” they were to LGBT interests. No surprise: Austin scored 100. The scoring came from the Washington DC-based LGBT advocacy organization Human Rights Campaign, reflecting its Municipal Equality Index. A few other Texas cities also got a perfect score of 100. Some were quite low. Check this out.

Dallas and Fort Worth joined Austin to receive 100 for **how LGBT-friendly their municipal policies and laws are.** San Antonio was not far behind with a 95. Houston came in at 71 (remember Houston voters a year ago killed a non-discrimination ordinance). Near the bottom of the pack: **College Station, Laredo and Irving scored just a six.** Ten more Texas cities were given grades of **25 or less, including Amarillo and Lubbock.** The national average: 55.

Fair warning: Monday, Austin-Bergstrom International Airport (ABIA) may set a record for its busiest passenger day ever. History has shown four of six of the airport’s busiest days have been the Monday following the Formula One (F1) weekend. And this year, one of the hottest entertainers in the business, Taylor Swift, will be performing at F1.

Mondays are usually busy. But Monday, 10/23/16, **six airlines serving ABIA are adding more seats** by adding larger aircraft, and **one carrier is adding an extra flight.** On top of this, **five charter flights have been added** for post-race departures to Mexico City. If you are going to ABIA Monday, you should take the proper precautions (with a healthy dose of patience!)

By any musical measure, Austin's Willie Nelson is a legend in his own time (he turned 83 years old in April and is still "On The Road Again" performing at sold-out concerts). By his side, literally, at each performance is another musical icon, Trigger -- his battered, scraped, gnarly, with a big hole in it, Martin N-20 classical guitar. Trigger has a distinction that even Willie can't replicate. It may someday reside in Washington's Smithsonian Institution.

How much Trigger is worth is anybody's guess – especially since Willie has had his music business buddies sign Trigger for the better part of four decades. Local music aficionado **Andy Langer**, writing for *Texas Monthly*, quoted a *TM* 2012 article about the autographs:

“Some were famous musicians – **Roger Miller, Johnny Cash, Kris Kristofferson** – and others were members of Willie's band or crew: **Paul English, Poodie, Budrock Prewitt, and Tune'n Tom, a.k.a Tom Hawkins**, who had become the guitar's caretaker on the road, changing strings every three or four gigs and tuning it up (creating the distinctive sound Trigger is famous for).

“Some signed the guitar in Magic Marker or Sharpie, and **their names were soon lost in the blood, sweat and beers of nightlife**. Others scratched them in with a ballpoint pen but didn't push deep enough, and their names too slowly faded. **Soon Willie lost track of exactly who had signed his guitar.**”

Langer writes the signing process has been going on “ever since **Leon Russell** asked Willie to sign his guitar. Flattered Russell had asked him, **Willie figured a swap was in order and had Russell sign Trigger at the same time**. From there the collection grew. The last time somebody signed Trigger was at an April 2013 celebration of Willie's eightieth birthday.” Until now. Willie asked a young Austin musician, **Alejandro Rose-Garcia**, to etch his name in the guitar. If that name doesn't ring a bell, he performs under the name **Shakey Graves**. Now, as **Paul Harvey** was fond of saying, “you know the rest of the story.”

Speaking of “sayings,” **Dr. Louis Overholster** likes this one credited to Yogi Berra: “A nickel ain't worth a dime anymore!”

Sincerely,



Editor/Publisher