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Dear Client:

**Televised presidential primary debates played a huge role in helping newcomer Donald Trump beat a crowded field to win the nomination of the Republican Party last time around. Now it's the Democrat's turn. And it won't be long before the Dems line up maybe as many as 20 wannabe presidents on TV appealing for votes. The first debate – hold on – is right around the calendar corner – in June. So how will the Dems decide who gets to debate?**

Somehow it seems appropriate to review this topic in a week that started with the President's Day holiday, and this issue is now being published on **George Washington's** birthday. Anyway, be that as it may, let's get to the nitty gritty. First of all, the **Democratic National Committee (DNC) is running the show** – setting the rules, negotiating with the TV networks and deciding which candidates “qualify” to participate in the debates. **And, the DNC is planning 12 – count them, 12 – debates during the course of the 2020 campaign cycle.**

The DNC has selected **NBC News, MSNBC and Telemundo to carry/host the first debate** on back-to-back weeknights in June 2019. **The second debate will be carried/hosted on CNN** on back-to-back weeknights in July 2019. The DNC says both agreements are unprecedented. No debate has ever aired in prime time on back-to-back nights before. **Location, venue, moderators, date and time, format and logistics for both debates will be announced at a later date.**

Which candidates will be selected out of what looks like a very crowded field? **Just because a person declares “I am a candidate for president” is not enough.** The DNC said candidates may qualify by meeting one of the two following sets of criteria:

**A candidate must register 1% or more support in three different pre-selected polls conducted by different organizations** and released between January 1, 2019 and 14 days prior to the debate.

The second criterion is the candidate must demonstrate the campaign has received **donations from at least (1) 65,000 unique donors and (2) a minimum of 200 unique donors per state in at least 20 US states.**

The Repubs haven't announced any plans. **Trump is running for re-election and no one has yet officially announced a run against him.** Don't worry. Things will heat up in due time.

**In less than two weeks you will have an opportunity to see the plans for a massive overhaul of Congress Avenue downtown. Various suggestions, some with vast changes, have been proposed. Now, the City of Austin and the Downtown Austin Alliance have set March 5, 2019 to unveil their recommendations.**

This is an important development, not just for downtown denizens, but for the state, as Congress Avenue has been called the Main Street of Texas. It is iconic. Congress Avenue has been used to showcase Austin and the State Capitol throughout its existence over the years. Now, **depending upon the adoption of the soon-to-be released plan, it could change dramatically. Certainly, its usage is sure to be modified.** After all, the usage of Congress Avenue is at the heart of proposed new plans.

What is meant by “usage?” To give you an idea, the words used to describe the effort are instructional: *“a vibrant multi-functional place for everyone.”*

**What will this mean for parking, if any, on the Avenue?** What about altering the sidewalks --- for pedestrians, for more park-like settings, for businesses? Will cars even be allowed? Will buses be allowed? Will trolleys be re-introduced?

**What about access to office buildings, retailers and hotels?** Trees, landscaping? How will public safety access be impacted – fire, EMS, police? **How will adjacent and cross streets downtown be affected?** Bicycles, scooters? You can add even more questions to this list. You get the picture.

This effort is aimed at the downtown portion of Congress Avenue, north from Lady Bird Lake to the State Capitol. Depending upon what is proposed, **this could be one of the most important and visible projects undertaken by the City of Austin.** Stay tuned.

**Have you noticed all the “Now Hiring ... Inquire Within” signs and banners around the Austin area. This is indicative of a tight labor market, with businesses competing to hire staff. As a result, what is the impact on entry-level wages? It’s a classic case of supply and demand. Hourly wages are going up and the jump is big.**

CBS Austin reported: **“The wage growth is making it harder for employers to stay competitive in Austin’s tight job market.”** The local TV news operation interviewed **Patrick Terry**, the founder of P. Terry’s Burger Stand, who commented **“you just have to work a little bit harder to get the people you want.”**

Across Austin, the average hourly wage in the private sector is on the rise. Minimum wage is \$7.25 an hour. **But, fast-food restaurants especially in the Austin area are paying more – much more – than that for entry level hires to flip burgers and bag fries.** The marketplace is working to drive wages up in the Austin area.

**Austin Mayor Steve Adler this week told the Real Estate Council of Austin that, even though Austin is the fastest-growing large metropolitan region in the nation, only 25% of the current growth is within the city limits. This is Austin's mayor acknowledging that 75% of the Austin metro growth is not within his city. So what does the mayor think is wrong with his city that it is on the short end of the stick when it comes to important individual decisions such as where to live? We have his answers and we have the numbers showing precisely where those who move out of Austin – not newcomers – are choosing to live.**

It's one thing for area newcomers to pick a place to live outside the Austin city limits. But, it is another thing entirely when **those who have actually lived in Austin – experiencing all Austin has to offer – decide to pack up and leave Austin, but stay in the metro. In many cases, this is a slap in the face of the City of Austin**, a city they once really liked. After all, they are not moving to an exotic locale or another state, etc. They are moving outside Austin's city limits, but staying nearby.

The Austin Board of Realtors checked USCensus Bureau data, and even looked at U-Haul moving facts, to come up with the **Top Five counties where former Austinites have decided to re-locate**. In many cases, they are keeping the same jobs, but are choosing what, to them, is a more desirable place to live.

Not surprisingly, adjacent **Williamson County (Round Rock, Georgetown, Leander, Cedar Park, etc.) tops the list**. It more than doubles the second place adjacent county, **Hays County (San Marcos, Buda, Kyle, etc.)**. Further down the list, in order, are **Bastrop County, Burnet County and, interestingly, Brazos County** (who knows, it may be grads of Texas A&M returning to Aggieland.)

As we said at the top, Austin Mayor Adler acknowledged this **exodus from Austin to the nearby suburbs, where you can live a different life, but enjoy the fruits of Austin if/when you want to travel to the big city**. So what are the reasons Mayor Adler says his former constituents are voting with their feet by leaving his bailiwick?

You guessed it. **Adler said the major factors pushing growth outside the city are affordability and high property taxes**. He also singled-out that while there may be 30,000 jobs in Austin for those who have the training to do them, **workforce development has not kept up with demand**, noted *Austin Monitor*.

Okay, mayor, what about the other Austin bugaboo that raises blood pressure daily? Traffic congestion. Adler says city officials are committed to mass transit. However, **he did not come down on the side of a rail system or a bus system**. He did say he thinks either system must have dedicated lanes. But. And this is a big “but,” that it will be hard to accomplish. **He feels dedicated lanes must not take away existing traffic lanes. Adler also predicted that if four more Express Lanes were added to MoPac, in three years, MoPac would be just as crowded as it is today**. Growth compounds many problems.

**The list of affordability problems in California is long and well-known, as we have chronicled for you in recent years. Now you can add another problem that is forcing young California families to consider leaving the state for Austin and other more affordable areas. You think housing is expensive in California? Well, *child care costs* are rising, too.**

Consider these sentences from the *Bay Area News Group*: “Much like the hunt for a place to live in the Bay Area, the search for child care is getting harder as prices rise. Over the past four years, **the median cost of child care in the nine-county Bay Area increased 40%. In San Francisco and Marin counties, the median cost rose more than 50%.**” And this quote from a Childcare executive in Silicon Valley: “**The reality of what many families are facing is a nightmare.** It’s much worse than it used to be. It’s a real struggle for families.”

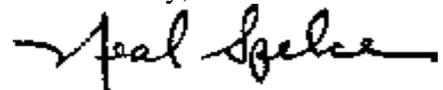
For those families with financial problems, there is help. But, one mom has been on a waiting list for subsidized childcare (she can’t afford \$1,718/month for one child) in San Francisco for two years. **A working mom in Walnut Creek said her nanny made more money than she did. Another mom quit working altogether because the cost of childcare gobbled up her entire salary.**

How about this for a perspective: **At an average of \$16,542 a year, infant care in California costs more than the average annual cost of college tuition at a University of California school, which is \$12,570.**

A final quote: “The amount I was going to pay the childcare center equaled my salary. **By the time you paid the taxes, it was game over.**” Adding greatly to the problem is the hunt for childcare is difficult and the wait list is usually long. One California childcare expert told the *Bay Area News Group*: “**There is a crisis in childcare. Politicians are fretting about the cost of housing, but a lot of people pay more for childcare.**”

Fair warning: bad pun ahead. **Dr. Louis Overholster**: “Whoever stole my copy of Microsoft Office, I will find you. You have my Word”

Sincerely,



Editor/Publisher