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Dear Client:

**A leading Texas business organization is ratcheting up the rhetoric against what it feels is widespread abuse of the state's unemployment compensation program. The criticism: the system contains little or no monitoring of job searches, it rewards those who don't find work and it is spiraling out of control.**

Those are strong charges leveled by the Texas Association of Business and Chambers of Commerce (TABCC). The concern is that Texans stay on unemployment, receiving regular paychecks, **longer than the national average**. Employers pay 100% of unemployment benefits and that amounted to \$972 million in 1999.

What are the abuses? "Texans who want to cash in on being jobless only have to punch one number on an automated telephone system for the state to OK their unemployment benefits," notes **Bill Hammond**, TABCC President. "They no longer have to make more than one contact in their job search each week and the **Texas Workforce Commission does little or nothing to verify unemployed Texans are even looking for work.**"

"Despite Texas having one of the lowest job rates in the country, it ranks **among the ten worst states** for the number of weeks claimants collect unemployment benefits," Hammond charges. "Texans stay on unemployment benefits an average of 15.9 weeks compared to 14.5 nationwide."

It can't be abused that much in **Austin** where "help wanted" signs are everywhere. Oh, yeah! "Even in Austin, where unemployment is at 2.2% and jobs are plentiful, Texans stay on unemployment benefits an average of more than 14 weeks before finding a job," Hammond pointed out.

It gets worse. Hammond says "more Texans, than citizens in any other state, use **all their available benefits before they find another job**. Fifty-four percent of unemployed Texans exhaust all their benefits before they go back to work – the **worst record** of any state in the nation."

"Living off the unemployment insurance fund has become a way of life for some people," Hammond claims. "Why should Texas businesses spend money to support a **program badly in need of reform**, when that money could be better used to expand the Texas economy?"

**Austin has an unwanted distinction. It is the top-ranked medium-sized city in the country when it comes to driver delays.** The designation is found in the Texas Turnpike Authority's 1999 Urban Mobility Report. One of the biggest contributors to this sad statistic is **driver-dangerous IH35**, which rips right through downtown Austin and links our neighbor cities north and south.

And, though loudly applauded, the Texas Turnpike Authority's decision to move the IH35 traffic-reliever — the proposed SH130 — farther east of Austin simply means **traffic destined for downtown Austin will remain on IH35**. So, what's in the future to improve IH35?

Right now, the Texas Department of Transportation (TxDOT) is conducting a Major Investment Study to drastically alter IH35 inside Austin's city limits. Specifically, within the **upper level sections south of Airport Boulevard**, three alternatives are under consideration.

One is to **construct an elevated High Occupancy Vehicle (HOV) lane** along the center of the northbound and southbound main lanes between the two upper level roadways at the same elevation as the upper level roadways.

Another alternative is to **remove the northbound elevated structure** and to widen the IH35 main lanes. The northbound frontage road would be reconstructed. The southbound elevated structure would remain serving as reversible HOV lanes.

The third alternative is to remove both elevated structures and put the **main lanes and HOV lanes below current ground level** for the major portion of this section.

The other major section of IH35 under study is that portion **from Martin Luther King Blvd south to the Colorado River**. There are two alternatives being considered. The first would provide **elevated HOV lanes** that disperse the traffic into the Central Business District (CBD), leaving the existing facility as is through the downtown area.

The second alternative being developed provides main lanes and collector-distributor lanes that disperse traffic into the CBD, which are **lower than the frontage roads** and adjacent property from south of 15<sup>th</sup> St. to north of Holly St.

Also, many of the existing streets from between 12th St. and 4<sup>th</sup> St. will be enhanced and will **cross over the IH35 main lanes**.

These are new, long-range, massive highway projects. Several interim measures are underway to relieve southbound and northbound bottlenecks and to address safety concerns on IH35. For example, construction is scheduled to begin in January 2001 on the lower level section to **modify entrance and exit ramps** to provide more room for acceleration and deceleration.

The big projects are in the early stage where business and community organizations, as well as private citizens, can provide input. Contact TxDOT at <http://www.i35austin.com>.

**You probably won't believe this if you were in an airport over the Thanksgiving holiday period, but — contrary to all you've heard — Thanksgiving is not the busiest air travel time of the year.** Along with about every other media outlet, we've been guilty of perpetrating the Turkey Day Travel myth, but the airlines say that's old news.

It's true Thanksgiving weekend was once the year's busiest travel period. But, according to American Airlines spokesman **John Hotard** (quoted in the *The Dallas Morning News*), "Over the last two to three years, it's become a myth." Hotard says the change is due to the shifting travel habits of travelers – and their deeper pockets. "Folks have disposable income to take **several small trips a year**. They tend to break them up into smaller units."

As a result, the airlines are seeing **bigger crowds during the summer**. In fact, American said its peak travel date this year was Sunday, August 6<sup>th</sup>. The other busiest days for the Texas-based international carrier were spread across June, July and August. And while Thanksgiving is a major airline travel period, the number of passengers who flew during this period did not even crack the Top Ten days already recorded this year by American Airlines.

While **holiday travel** may not be the busiest, it **can be the most taxing**. Frankly, that's because there are more rookie flyers on those days. Many of those who cram the airports during holidays don't fly that often. As a result, they are slower, try to carry more than is allowed, need more help from airline and airport personnel and generally jam activity that flows much smoother when the frequent business flyers are the majority of travelers. So, you still need to allow more time than normal when the amateur travelers are on the loose.

**More apartment units have been permitted or construction started during a recent 12 month period in the metro Austin area, than in the Denver, Los Angeles, Tampa or Houston metro areas.** These are not percentages. They are actual numbers. These actual numbers rank Austin #8 in the nation in the number of starts and permits ahead of the four bigger, fast-growing cities noted here.

The latest national comparative figures, according to American Metro/Study Corporation, rank the **Atlanta metro area as a runaway #1**. New York City is a solid #2. The metro areas of Chicago, Phoenix, Seattle, Washington DC, and Orlando are closely bunched, in that order, ahead of #8 Austin.

If this triggers thoughts of the 1980s real estate recession where there were abundant, almost-empty apartment buildings that went belly-up, we need to remind you what **Robin Davis**, owner of Austin Investor Interests, told us 10/27/00: "**the overall occupancy rates have remained above 95% for nine consecutive quarters.**" She also noted "absorption remained strong, as over twice the number of units added to the inventory were absorbed." So, while new units are coming on-line almost daily, they are being rented at a mind-boggling rate.

**What does Austin have in common with Bali, Munich, Park City, London, Marrakesh, Padua, Charleston, Rio and Montreal?** The cover of the December 2000 issue of *Travel + Leisure* names these locations as “Ten Great Places To Spend Christmas? Not bad company.

So, why does *T+L* lump us in with other admittedly more glamorous worldwide destinations? The reasons cited by the 230+ page magazine indicate that much of what we take for granted here apparently are unique enough to place us in rarefied company.

But we're **not sure we agree with the reason for “why Austin,”** when *T+L* wrote: “Chili-pepper wreaths and fruitcakes shaped like the state of Texas. Margaritas and live music under the stars.” That's it. That's all the mag wrote under the category “why”. Bummer.

We can't quarrel with its listing of only one place to stay (“the elegant **Driskill Hotel**, the 1886 former home of a cattle baron, has recently been restored to its original grandeur”) and its only suggestion of where the traveler should have a Christmas meal (“the **Café at the Four Seasons** serves up a lavish holiday lunch with molasses-glazed beef tenderloin and turkey with pecan-corn bread stuffing”).

For its “Best Outing” category, the high-dollar mag wrote “Head down to the **Broken Spoke**, one of the last of the true Texas dance halls, for chicken-fried steak, a display of country music memorabilia and a lively two-step around the floor.” For “Stocking Stuffers”, it suggests dropping by **Tesoros Trading Co.** for “nativity scenes, ornaments from around the globe, and curios such as Mexican personal altars...”

And *T+L* hit a home run under the category of “Best Lights” (“Residents of 37<sup>th</sup> Street adorn their houses with outrageously creative Christmas decorations. Walk from **37<sup>th</sup> and Guadalupe Street** to take in the full effect of back-yard displays”).

**Dr. Louis Overholster** believes Christmas is that time of year when, into each life, someone stringing lights must fall!

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