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Dear Client:

The development of State Highway 130 may be the single best economic development opportunity we will see in our lifetime. This is the view of a former Austin mayor and chair of the Greater Austin Chamber of Commerce (GACofC).

SH130 is the north-south route that slices through rural areas to the east of IH35. It is planned to relieve congestion on IH35 from Georgetown south to the Seguin area. But the main benefit of the new roadway will be the **economic development impact on Central Texas**, according to GACofC Chair **Kirk Watson**, former Austin mayor and current candidate for the State Senate.

Citing a study commissioned by the GACofC, Watson said “we know land development along the route has been occurring for years. **Currently 25% of the SH130 corridor is committed to single family homes.** Statistics from benchmark cities indicate this percentage could continue to grow another 10%.”

“However,” Watson says, “more development is needed for commercial, industrial and office space. In order to maximize economic development opportunities and the property tax base in this corridor, **dense and mixed-use development must take place.**” But this will take an unprecedented level of regional cooperation.

Can you imagine the intricacies involved just to **coordinate infrastructure with five different counties** and the myriad of smaller governmental jurisdictions that abut the planned roadway? Watson is leading a GACofC effort in the largest county, Travis, to support several SH130 connectivity-related projects that will be on a 2005 Travis County bond election.

“We also need,” Watson said, “to encourage City of Austin leaders to call for bond propositions that include spending for SH130 **related infrastructure in the 2006 City of Austin bond election.** This infrastructure will allow for much needed development in our region’s Desired Development Zone.”

As highway construction goes, this roadway is coming fast. The portion between US79 and US290 may open by January 2007, nearly a full year ahead of schedule. The remaining three segments should be open during the remainder of 2007 and there will be a new toll road from IH35 near Georgetown south to US183 near Mustang Ridge. As Watson put it: “The task now is to plan for successful development of this region.”

You think your property taxes are high? You're right, especially when you look at what you pay compared to residents in other Texas cities. But the tax burden is not out of line when you stack up your taxes against our economic development competitor cities around the US.

The Austin/Travis County tax burden is relatively high compared to other metro Texas cities/counties. For instance, the **Austin/Travis taxes are ahead of the other Texas regions**, including Houston/Harris, Dallas/Dallas County, San Antonio/Bexar and Fort Worth/Tarrant. These results come from a study conducted this summer by **Angela Pack Zia**, a graduate student at UTAustin's LBJ School of Public Affairs.

But when it comes to enticing companies to locate in the Austin area from outside Texas – to create jobs for our residents – we fare better. There are a handful of cities/counties/regions that always seem to crop up **when companies are looking at Austin vis-à-vis other locations**. When you look at the property tax burdens in those areas, the property tax load here becomes an advantage.

The study revealed that Austin/Travis property taxes **compared favorably with Nashville/Davidson, Raleigh/Wake, Portland/Multnomah and Seattle/King** – all benchmark cities with whom we have been competing for years in the job creation marketplace. (This was based on property tax revenue per capita.)

This is an age-old conundrum in economic development. **High taxes are a negative, but the revenue from taxes goes to pay for desirable services** such as public safety, transportation, parks and recreation, health and human services, etc. Also tax dollars go to build a supportive infrastructure (water, sewer, etc.) and, in general, create a hard-to-define quality of life that makes you sit back and say, **“yeah, I like this place; I'd like to live and work here.”**

This, then, raises the question of whether the **tax dollars are being effectively and wisely spent**. Here is where you get into an irresolvable debate. What is wise and effective in your judgment may differ dramatically from another taxpayer's view. Nevertheless, the study tried to **quantify and compare the services paid for by taxes in the subject cities/counties**. The Austin/Travis expenditures on public safety are typical compared to the peer cities, but (here's the debate) with an overcrowded jail and the longest amount of time to close criminal cases, there are questions about the effectiveness of expenditures of your tax dollars.

Perhaps the most important issue for business is transportation, with traffic congestion and accidents per capita rising. The study found this area to be one of the least effective for the city and county, with high costs and the highest number of roads per capita maintained only by local governments.

Austin/Travis County property tax rates are high compared to other Texas cities/counties, but not out of line compared to benchmark competitive cities. The debate will continue ad infinitum on whether those tax dollars are being spent wisely and effectively.

The popularity ratings have tumbled for your former neighbor, President George W. Bush, as he is hammered daily with negative developments. So who is benefiting from all this?

Well, actually no one, according to political strategist **Jack Martin**, who operates Public Strategies Inc., a large national public affairs firm headquartered in Austin. “The Bush administration is no doubt struggling with a variety of challenges, from a battle over the **Harriett Miers** Supreme Court nomination (and sudden withdrawal Thursday) to various issues surrounding party leaders,” noted Martin. **“But these data do not indicate any particular individual or party has become the beneficiary of the public’s discontent.”**

What data, Jack? “While it is often mentioned that President Bush’s approval rating has dropped to 39%, it’s often overlooked that the approval ratings for Congress are at 29%,” Martin observed. “This indicates a **growing bi-partisan decline in the ratings for essentially the entire Washington establishment.**”

“While various polls suggest that the Democrats are currently favored over the Republicans in Congress on a number of issues, it remains to be seen if the Democrats can actually take the lead in restoring confidence in the government,” he continued. “Approval ratings for both parties are in a questionable area, and the **leadership with the highest numbers appear to be the individuals at this point who are least apt to be part of either party’s ‘inside the beltway’ establishment.**”

Martin thinks the 2006 mid-term elections “are going to give us a fascinating preview of the future of both parties.” He is also looking ahead to the presidential election in 2008, pointing out recent polling indicates **“69% now want a president whose policies differ from that of President Bush.”** Bush is prohibited by the US Constitution from seeking a 3rd term.

“It will be interesting to see whether the president makes a **‘move to the middle’ in the remaining three years of his second term**, which, if successful, could have a dramatic effect on that number in terms of people’s minds leading into the 2008 election,” Martin said.

“A growing debate will be whether a candidate or elected official’s message needs to be focused on a ‘turn out the base’ model or on dealing with people’s increasing **perception that neither party is speaking to the broad issues that most Americans care about on a daily basis,**” he concluded.

Currently, the national left/right debate is drowned out by the loudest voices on the extreme end of both spectrums. **These loud voices appeal to the far right and far left (the base) – those who troop to the polls with a passion and intensity** way beyond the average voter who, by and large, doesn’t vote if turned off by the political noisemaking. There’s still time for this to shake out, but for now, as Martin puts it, “the political landscape continues in turmoil.”

It's heeerrrrre – the time of year many Texans feel should be declared a state holiday. The general deer hunting season opens 11/5/05 statewide.

Nothing engenders such strong feelings in November, pro and con, as deer hunting in Texas (except maybe for some good ole football rivalries). Hunters have been waiting all year for the season to open. Blinds have been built, feeders tested and filled, rifles sighted-in, supplies and gear bought. Hill Country counties such as Llano are anticipating the influx of dollars the deer hunters bring to their neck of the woods.

So, what are the prospects this year? According to Texas Parks and Wildlife Department (TPWD) biologists, dry range conditions across much of Texas heading into the general deer season should bode well for hunters looking to fill their tags. For the last couple of years, many of Texas' 500,000 or so deer hunters (this is a big business) had a tough time observing deer, which kept a low profile because lush range conditions provided ample cover and abundant browse.

Hunters likely won't face that problem this fall. TPWD white-tailed deer program leader **Mitch Lockwood** says last year "we dried up real bad. This will be the first year in the last four that I'm not telling hunters to get away from the corn feeders to find deer. I think people will have success hunting over feeders."

TPWD Hill Country biologist **Max Traweek** said "I would anticipate that antler quality will be at least average and maybe better than average on those ranges not obviously overpopulated with deer and other browsers."

By the way, Lockwood is encouraging hunters to take more does this fall in areas with deer overpopulation issues. "It's true every year, but especially this year, **deer will have a harder time making it through the winter.**" And then there are those who are adamant against any kind of animal killing. We may deal with that in another edition. Maybe.

Speaking of shooting, **Dr. Louis Overholster** says he'd kill for a Nobel Peace Prize!

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