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Dear Client:

**No matter which source you cite, they all project that Austin's population growth will be among the tops in the nation in the next decade or so. But growth is uneven. So, let's look at which Austin neighborhoods will be most impacted.**

According to the USCensus, when Austin's 5-county metro area grew by 43% between 1998 and 2008, Travis, Williamson and Hays County bore the brunt of that increase in population. Bastrop County, less so. And the 5<sup>th</sup> county, Caldwell, didn't grow much at all. The same is true within a city's limits. **Some neighborhoods grow faster than others.**

Therefore we thought it might be instructive to drill deeper within the city limits of Austin and examine which **ZIP codes are projected to grow the fastest up to 2020**. Just so your eyes won't glaze over with a bunch of statistics thrown your way, we'll simply point out the dozen ZIP codes that will gain the most people.

The projected fastest-growing Austin ZIP code is not a surprise when you think about it. **It is 78701, downtown.** All those high rise living units that have just opened, and those in the final stages of construction, are expected to prime the pump for a population increase of more than 20,000 in the downtown area between 2000 and 2020.

The *second* tier of ZIP codes predicted to have the biggest population growth includes **78753** and **78754** in the northeastern part of the city. These neighborhoods are projected to gain 15,000 to 20,000 people from 2000-2020.

ZIP codes in the *third* tier of growth are more numerous and spread around the city. The heaviest concentration is in Central South Austin: **78704, 78741, 78744, 78748, 78749** and east of Austin-Bergstrom International Airport, **78617**. Two central city ZIP codes, **78702** and **78723**, also are in this tier. And the final ZIP code at this level is in far north Austin, **78729**. This tier is projected to grow by 10,000-15,000 persons in the 2000-2020 timeframe.

The remainder of the ZIP codes that fall within the Austin city limits are **not predicted to gain more than 10,000 people**. And some will only grow by less than 2,500 people in that 20-year period. As you can see, population projections are always uneven when you drill deeper.

**Even though some may ask “why would anyone move away from Texas?” it does happen. So which states are the prime destinations for those who leave the Lone Star State?**

The state that sends the most new residents *to* Texas is California, followed by Louisiana, Florida, Oklahoma and Illinois – in that order, according to the Pew Research Center that analyzed the migration *inflow* to Texas from 2005-2007. **But what about Texans who move – for whatever reason — away from the state?** Where are they going?

Once again, California is at the top of the list. **California is the state of choice for the greatest number of residents leaving Texas.** Florida is the 2<sup>nd</sup> choice, with Louisiana and Oklahoma not far behind. Colorado is the 5<sup>th</sup> choice of those who move away from The Lone Star State.

But in all cases, **there are more people moving *to* Texas from those states than there are Texans moving into those states.** In other words, Texas is showing a net gain of population in this very mobile society.

**One population group coming into Texas – illegal immigrants — has slowed their rate of movement into the state. This may be one of the reasons the Texas Legislature left town last week with very little table-pounding on the issue.**

As we pointed out 11/7/08 (check out Volume 30, Number 32 in our Archives section), immigration was a big issue in some Texas legislative races. But what we also reported was that the issue was diminishing because the **inflow of illegal immigrants slowed down and many of those who were in Texas last year headed back home as jobs dried up.** So the legislators who took strong positions on the immigration issue less than a year ago ended up with very little traction on the topic in the session that ended 6/1/09.

Fewer employers find themselves in need of more employees. They’re much more likely to lay off help than to put more workers on their payrolls. **The jobs once eagerly sought by those who crossed into Texas illegally have all but dried up.**

Take construction, one of the key areas where jobs were regularly available for those coming into the US illegally. **In fact, in Austin, construction jobs declined 5.8% between April 2008 and April 2009.** And, of course, it’s even worse in more distressed US cities elsewhere.

**Because immigration was once a red-hot issue, don’t expect it to go away.** The passions expressed on both sides of the issue may have cooled somewhat as a result of the economic slowdown. But those passions are like fireplace coals – just sitting there waiting for changing circumstances to fan the coals into flames once again.

**If you want to re-finance your mortgage, you better hurry. Rates are rising and it is harder to re-finance now than it once was.**

The mortgage rates have been slowly moving higher in recent weeks and, as a result, re-financing activity has slowed. **The conventional 30-year fixed rate is still below 6% (averaging 5.59% this week).** So, what is required if you go to a lender today to get a lower rate?

First of all, you are **likely to get the lowest rate if your loan is backed by Fannie Mae or Freddie Mac**, according to our friends at *Kiplinger*. Also to get the best deal, it helps if you are taking out a **conforming loan – one less than \$417,000**. That's not all. You are more likely to be able to re-finance your home if your **credit score is at least 720**. And, oh yeah, it would be best if you have **20% equity** – or more – in your home.

The rates are still relatively low. But they bear watching in these uncertain times.

**Gourmet food served out of a trailer – at bargain prices? It's not only happening in Austin, it is a national trend.**

You've long been used to seeing taco stands and food trucks showing up at construction sites during the noon hour. These have been a part of Austin's landscape for a long time. But you didn't find high-end, gourmet fare in these places. *The Wall Street Journal* says a **new generation of “trailer” or “truck” food — gourmet food — is showing up all over the nation**. And Austin was singled out as one of the examples.

In fact, the **1600 block of South Congress Avenue** has quickly become the site of several of these ventures. But the one mentioned by the *WSJ* is “The Mighty Cone.” Many Austinites are aware that the Mighty Cone is the brainchild of the folks at the pricey, highly-rated Hudson's On The Bend gourmet restaurant.

**The Mighty Cone offers Hudson's famous “Hot and Crunchy” treatment of chicken, shrimp or avocados** – each crusted with almonds, sesame seeds, chili flakes, corn flakes and seasonings in a tortilla cone with a mango-jalapeno slaw, topped with ancho sauce. Yummmmm!

High-end restaurants in San Francisco, New York City, Los Angeles, Seattle, Washington DC, etc. are offering variations of their own gourmet specialties, so it appears to be more than a fad. For Hudson's chef-owner **Jeff Blank**, it's a money-maker. He told the *WSJ* that Hudson's revenue is off by 20%-25% compared with two years ago. **But revenues from The Mighty Cone have made up for those losses and even allowed him to hire extra staff.** The average tab at Hudson's is \$75, at The Mighty Cone it is under \$10.

**So far this year, the Texas Bankers Foundation (TBF) has offered \$23,000 in robbery rewards for information leading to the arrest and indictment of bank robbery suspects. In the past however, the reward was for *dead* bank robbers — nothing if they were alive.**

The robbery reward program was started by the TBF to prevent and discourage robberies and other crimes against Texas banks and their employees. However, in response to widespread bank robberies in the 1930s (think: **Bonnie and Clyde, John Dillinger**, etc.), the reward rules changed a bit.

Posters in Texas banks read: “**Money Reward for DEAD Bank Robbers.** A cash reward will be paid for each bank robber legally killed while robbing this bank.” A cash reward of up to \$5,000, effective January 15, 1933, was offered for “**each bank robber legally killed** while robbing and holding up a bank with firearms during the daytime.”

But that’s not all. The bank poster also carried these words: “**The Association will not give one cent for live bank robbers.** They are rarely identified, more rarely convicted, and most rarely stay in the penitentiary when sent there – all of which operations are troublesome, burdensome and costly to our government.”

**The last paid reward for Dead Bank Robbers was in 1948.** This program was not officially disbanded until 1964.

The most recent payout from the TBF occurred a bit earlier this year. TBF put up \$5,000 and the Houston Crime Stoppers added another \$5,000 for information leading to the identification, charging or arrest of a **bank robbery suspect the FBI dubbed the “Cell Phone Bandit.”** The bank robber was given that moniker because he was always on a cell phone when he committed at least six robberies of banks located inside Houston area grocery stores.

**Dr. Louis Overholster** knew he was going to have a problem discussing weight loss with a patient who told him “every time I hear the dirty word ‘exercise,’ I wash my mouth out with chocolate.”

Sincerely



Editor/Publisher