

THE

Real Estate

AUSTIN LETTER

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P.O. Box 1905 / Austin, Texas 78767-1905 / 512-498-9495 / Fax 512-327-1976 / e-mail News@AustinLetter.com

Volume 32, Number 27

October 1, 2010

Dear Client:

The Austin-Round Rock and San Antonio metro areas are two of the fastest growing metros in the nation, and several counties in the two metros are adjacent to each other. If you combined the two adjacent metros, you would have a population of 3.2 million people. There is now a move to do just that – statistically.

Much has to be accomplished before this is a done deal. But the initial steps are already underway. The designation is being driven by the Greater Austin-San Antonio Corridor Council. **The results of the 2010 USCensus will form the basis for such a designation** and it could be accomplished within a few short years.

Let's be clear about this. **You would still have an Austin-Round Rock Metropolitan Statistical Area (MSA) made up of Travis, Williamson, Hays, Bastrop and Caldwell counties just as you do today.** And the San Antonio MSA would still contain its current eight counties. The "identities" of each of these metros would continue to exist under the plan.

But for certain economic purposes, the two metros would be combined statistically and would be referred to officially as a Combined Statistical Area (CSA), a relatively-new form of identifying cities and counties that have an economic commonality.

Even though CSAs have not been in existence very long, there are already at least eight in Texas, encompassing both large and small metros. **Dallas-Fort Worth and Houston Baytown-Huntsville are CSAs.** But so are smaller areas such as **Corpus Christi-Kingsville, Brownsville-Harlingen-Raymondville, Lubbock-Levelland, Longview-Marshall, Midland-Odessa and Tyler-Jacksonville.**

What is the reason for this economic gobbeldy-gook? **As populations grow, there is more of an economic interchange between metro areas.** Just drive IH35 south from Williamson County, through Travis and Hays. It is hard to tell when you enter San Antonio's MSA as you cross into Comal and Bexar counties.

So, what would be the benefit for Austin and San Antonio to seek this linkage? Does it make sense? Check out the next item for a little more detail on this far-reaching plan.

If the Austin and San Antonio metros were lumped together in a Combined Statistical Area (CSA), this CSA could become the nation's 15th largest in terms of population. This would give the region more economic clout than it currently enjoys.

The Austin metro area is currently ranked about 35th in the nation and San Antonio comes in about 28th, but **if you combine the two statistically, the San Antonio-Austin CSA would jump ahead of Seattle** (currently in the 15th slot) and other metros that traditionally have “out-ranked” this part of Texas in terms of population. And, by the way, it would probably be referenced as *San Antonio-Austin*, not *Austin-San Antonio* because the largest metro is usually listed first.

What would this new CSA designation do that the individual metros would find difficult to do on their own? Well, first of all, it would make it easier for the new CSA to attract more jobs. For instance, **such a designation would get the attention of corporate headquarters, new retailers and, yes, even professional sports franchises.**

Also airline routes. Airlines go where the passengers are located. The late Central Texas Congressman **Jake Pickle**, ever a booster for the Austin area, was apparently way ahead of his time when he was the **lone voice proposing an airport half-way between Austin and San Antonio** at the time the City of Austin was considering building an airport on the site of the former Bergstrom Air Force Base. Under the proposed CSA scenario, a mid-location airport is not in the mix. Instead, there would likely be a joint proposal to airlines to increase service to the individual airports.

Who makes the decision to make the CSA designation? Interestingly, it's the Office of Management and Budget (OMB) in the White House. And OMB will use 2010 USCensus data. What are they looking for? The key is “commuting ties.” Or, put it another way: economic integration — the movement of commerce, tourism, shopping, etc. within the different entities.

Of course, *past* population growth is an important consideration. But *future* growth can also be a factor. **Ray Perryman**, the long-time Texas economist predicts **Austin's MSA will lead the state over the next 25 years with a 2.65% annual growth rate.** He suggests the San Antonio metro will also post an impressive 1.87% annual growth rate.

A long-term question is whether the **two major metros will try to reach outside their existing counties to add other smaller entities to the proposed CSA.** For instance, if Kerr County, Gillespie County and Burnet County were included, a strong case could be made for the impact of their residents on the Austin and San Antonio metros.

No known opposition to the CSA has surfaced. But it is an idea that is just now germinating.

Once upon a time, not too long ago, an Austin City Council faced strong opposition to widening the Lamar Boulevard bridge across Lady Bird Lake. It caved in to the pressure and voted not to widen the highly-trafficked structure. So, how's that workin' out for ya?

If you've driven across the bridge, your own experience will probably lead you to complain about a "bottleneck." Or maybe because of that slowdown, you now **studiously avoid that route** if at all possible.

A few years ago, the Austin City Council heard all the forecasts about the high-rise developments going up in the vicinity of the bridge. **It already knew about the congestion at Sixth and Lamar** where Whole Foods national HQ was contributing to the increased traffic. So it considered widening the bridge.

But after loud and strident opposition voices echoed throughout city hall at a public hearing, **the City Council decided *not* to spend the bucks to widen the bridge and the roadways feeding into the structure.** Those in favor of the widening grumbled that the Austin City Council didn't want to speed up the flow of traffic in that area – because they wanted to encourage travel to and from downtown Austin by means other than automobiles.

The Austin City Council *did* spend major bucks building **an alternate, parallel bridge for pedestrians and now it is spending even more money to lengthen that pedestrian bridge** so it will go north across Cesar Chavez. The pedestrian bridge was authorized after pedestrian fatalities occurred on the Lamar Blvd bridge.

So, what is the situation now? Well, first of all, you need to know the **Lamar Boulevard bridge has a capacity of close to 20,000 car trips daily. Currently, there are more than 40,000 car trips recorded daily on the jam-packed bridge.** And, remarkably to some, there has been no major move to resurrect the plan to widen the Lamar Boulevard bridge.

Instead, there is a move to – guess what? – encourage *alternative forms of transportation.* And by alternative, they're talking about getting out of your automobile and using such means as **public transit, carpooling and bicycling** for those who want to come downtown to work and play.

Those pushing this alternative plan point to the **high volume of traffic** on the bridge and also note that the South First Street bridge, Cesar Chavez Boulevard, West Fifth and West Sixth streets are all running beyond the capacity for which these roadways were built. Well, of course. This traffic increase has long been in transportation forecasts.

It looks like those who favored a more efficient traffic flow in that part of downtown **may have been correct in their grumbling back when the Council dinged the expansion.**

JetBlue Airways is increasing its market share of Austin air travelers. And one of the keys to its success may be its association with the Texas Longhorns football team.

JetBlue became an “official partner” with the UTAustin athletics department in 2009. The promotional relationship was most visible this past weekend when **JetBlue was the “presenting sponsor” of the UT-UCLA contest** at Darrell K Royal-Texas Memorial Stadium.

Those in attendance at the sold-out opening home game were made aware of the airline’s role with the ’Horns, unless they fell asleep at the game. In addition to signage etc., **the airline had a special on-field presentation to honor the Neighborhood Longhorns Program (NLP)**. NLP works with economically-disadvantaged elementary and middle school Austin students with incentive-based learning programs.

But JetBlue also combined promotions to get extra mileage out of the exposure to the 100,000+ in attendance. The airline recognized **Robert Luscomb**, a veteran who was a part of the Wounded Warrior non-profit organization. It gave him an All You Can Jet (AYCJ) pass, allowing **Luscomb to travel to any of JetBlue’s international and domestic destinations as often as he liked for 30 days.**

That’s not all. Making the most out of the association, **JetBlue offered \$94 birthday fares during the month of September for travel each way between Austin and Fort Lauderdale, Los Angeles/Long Beach or San Francisco.** The reason for the \$94 amount? It represented 94 years since the Longhorn mascot, BEVO, was trotted out to symbolize the team in the fall of 1916.

It will be interesting to see if JetBlue’s market share continues to increase throughout the fall as it ties promotions to a football team that suffered its first loss Saturday.

After being badgered by **Dr. Louis Overholster** to get more exercise, his patient told him not to worry because he enjoys long walks – “especially when they are taken by people who annoy me!”

Sincerely



Editor/Publisher