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Dear Client:

**The City of Austin is in the midst of a critical period to fix some long-held complaints about the city's planning and development processes. At the heart of it is the rising cost for housing and commercial properties -- as well as the speed with which the city can operate to keep up with one of the nation's most explosive growth situations. Whether a portion of the effort is successful may be known within just a few months.**

Those who have complained the loudest – in many cases, for years – have railed about the city's **convoluted, drawn-out and dysfunctional processes to gain approvals for land development and construction**. Delay horror stories were finally chronicled in an independent analysis conducted by planning process experts, Zucker Systems. A draft report was leaked earlier this year and the final document was just completed.

The implementation is underway with a major focus on eliminating backlogs. The Real Estate Council of Austin (RECA), whose business members have varied real estate interests, weighed in on the Zucker Systems report and **recommended backlogs should be eliminated within 90 days**.

The City indicated this couldn't be done with existing staffing. Its approach is to use overtime and temporary staffing. It said the time required to train third parties would detract from the time to reduce the backlog. RECA pushed back and said that it was unclear why a **third-party group cannot be trained to help reduce the backlog when the city is already willing to hire temporary employees which will also need training**. And so it goes.

There's more. The city has already **separated the functions of its Planning and Development Review Department into two individual departments** – dividing their responsibilities accordingly in an effort to be more efficient. And the staff is working on an **action plan** to deal with issues raised in the Zucker Report. That plan should be **presented to the Austin City Council in late June**.

Attacking the many problems uncovered in the comprehensive Zucker Report will take time. Time is money. **Past delays have been blamed for the rising cost of construction and slowing the ability to keep up with the demands of a fast-growing city**. The Mayor and Council should keep the pedal to the metal to move this forward – at a fast clip.

**Speaking of fast growth, you may not have seen anything yet. More businesses than ever are snooping around the Austin area as a place to re-locate or expand, according to civic leader Gary Farmer, who has been at the helm of recent economic development campaigns.**

Farmer has been quoted as saying efforts by the Chamber of Commerce's "Opportunity Austin" campaigns have **attracted 370 companies, providing 253,000 jobs in the 5-county metro.**

**Traffic has replaced weather as the main conversation topic in Austin circles. And now, you are living in the midst of a new transportation revolution that could change the nature of cars roaming Austin streets. Did you know that ride-sharing Uber is about to complete another round of funding that could make it the most valuable venture-backed startup in history – ranking with Facebook's record \$50 billion valuation?**

If Uber's ambitious plans are realized, more and more average Austinites will be jamming local roadways. **They want to make good money by driving their personal cars, looking for riders to go from point-A to point-B.** Uber is already in Austin and in some 250 other markets around the globe. It has spent big bucks on **marketing the app-based service to riders and prospective drivers** and it will soon have *bigger* bucks to expand its service.

Some of Uber's existing dollars are invested to develop new technologies. And this investment is leading to a **battle with another huge deep-pocketed Austin employer, Google, who interestingly is a major Uber investor itself.** (Go to our archives to check the February 6, 2015 edition for background.) In a nutshell, **Uber uses Google Maps.** Tech giant Google is also working to develop driverless cars and has indicated it wants to **get into the ride-sharing business as well.**

See what's happening. **The relationship between Uber and Google is getting quite dicey.** So, in an effort to reduce its dependence on Google, Uber has invested in a partnership with Carnegie Mellon University to **build robotic cars and to develop new mapping software.** It has also bought a mapping startup and is negotiating with Nokia for its mapping subsidiary that is dominant in car navigating systems.

A lot of money is being quickly thrown at this new approach to driving. **The high-level Uber/Google corporate maneuvering is not that visible locally.** But as it unfolds, this will impact Austin traffic in revolutionary ways.

Other steps are underway to move this new driving approach along quickly. For instance, Uber is lobbying the Texas Legislature, and within weeks the Lege is expected to pass **statewide regulatory guidelines for ride-sharing.** One Uber pitch: ride-sharing will cut down on drunk driving. You get the picture. Momentum, fueled by major money, is accelerating.

**A small Austin district election this past weekend, where less than 2,000 people voted, has major implications for most of Travis County. The participants voted to tax themselves. And the rest of the western part of the county will be beneficiaries. They voted to spend \$46 million for improvements and fire protection in the most heavily-wooded part of the area.**

As we reported April 24, 2015 (check out page 4 of that edition for background), residents in Travis County Water Control and Improvement District 10 (WCID#10) were asked to **approve a large bond election to fund fire safety upgrades. And they did. Two-to-one.** As we mentioned, the West Lake Hills area has been having serious water problems – such as **not enough water pressure to fight fires in this increasingly-populated area.**

Why is this important for you if you don't live – or pay taxes -- there? **The risk of rapidly-spreading, juniper tree-fueled wildfires is very real.** WCID#10's service area not only is covered with trees, but its hills and canyons act as wind funnels to force raging fires to quickly jump large spaces.

Think: **the hills around Los Angeles** where much larger fire departments have problems fighting spreading wildfires that threaten homes, property and lives. Or closer to home, think: **Bastrop where fiery pine trees in 2011 devastated much of that area.** Pine trees, like juniper trees, contain highly-flammable sap.

With the widespread rainfall this week, it may be **hard to imagine the tinderbox the area's tree-covered western hills have been in the past.** But, as you know, weather runs in cycles. The voters in WCID#10 stepped up when it was on the line.

**Reader response: a long-time subscriber who has been involved in a big way in Austin's civic and business life for many years took issue with some numbers in last week's issue. Uh, oh. Where did we go wrong? Actually he says we *understated* what we thought were some pretty impressive figures about office space.**

You'll recall we quoted from a commercial real estate firm's analysis of the many **office buildings under construction.** And we pulled their numbers about **lease rental rates.** Also they reported on **occupancy percentages** of office buildings. We thought all the stats were quite robust. And they supported the thesis that Austin was not overbuilt.

**Were the firm's totals too high? Nope. Too low.** In fact, without naming names he cited one **downtown high-rise office building that was about to ink a lease for 100% of the building** during the construction phase. And he implied the **lease price was way up** there as well.

It's always good to get feedback. And to share differing opinions with you.

**A lot is being said about the number of Republicans running for president who have Texas ties. And there are quite a few of these wannabes. But are you aware of the GOP candidate who was born in Austin to a famous jurist?**

You know about candidate **Jeb Bush**, whose son **George P. Bush** lives in Austin, his dad **George H. W. Bush** lives in Houston and his brother **George W. Bush** lives in Dallas. **Rand Paul's** dad, **Ron Paul**, lives in South Texas. **Rick Santorum** now lives in Dallas. **Ted Cruz** is a US Senator from Texas. **Rick Perry** is a former Texas governor.

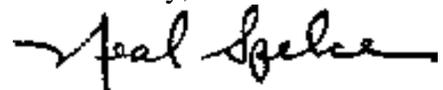
**But none of these guys was born in Austin. That distinction belongs to Carly Fiorina**, the former Hewlett-Packard CEO, who was born in Austin September 6, 1954 as **Cara Carleton Sneed**. Her mom, born as **Madelon Juergens**, was a talented painter. But it was her dad, **Joseph Tyree Sneed III**, who after graduating from UT Austin's law school in 1947, gained a large reputation as a law teacher/dean and jurist. And along the way, he established his GOP credentials that may have proven a strong influence on Carly Fiorina's ties to the GOP.

Sneed served more than **three decades as a conservative judge on one of the nation's most liberal appeals courts** (9<sup>th</sup> Circuit, San Francisco). Outside the court, his most prominent public action occurred when Supreme Court Chief Justice **William Rehnquist** named him to a 3-judge panel to appoint special prosecutors to investigate executive-branch wrongdoing.

Sneed and the two other panelists removed the prosecutor who had been looking into President **Bill Clinton's** Whitewater investments and replaced him with **Kenneth Starr**, a conservative Republican, whose probe led to the president's impeachment for lying about sexual affairs. **Starr is now President and Chancellor of Baylor University in Waco**. Now you know more trivia about Austin-born Carly Fiorina than you will ever find in a standard bio.

In honor of the O Henry Pun-Off competition in Austin this past week, **Dr. Louis Overholster** noted a short fortune-teller who escaped from prison was a small medium at large!

Sincerely,



Editor/Publisher