

Apple to build new Austin hub, expand in other tech hotbeds

By MICHAEL LIEDTKE, MATT O'BRIEN AND WILL WEISSERT Associated Press

AUSTIN, Texas — Apple plans to build a \$1 billion campus in Austin, Texas, that will create at least 5,000 jobs ranging from engineers to call-center agents while adding more luster to a Southwestern city that has already become a bustling tech hub.

The decision, announced Thursday, comes 11 months after Apple CEO Tim Cook disclosed plans to open a major office outside California on the heels of a massive tax cut on overseas profits, which prompted the company to bring about \$250 billion back to the U.S.

The company said it will also open offices in Seattle, San Diego and Culver City, California, each employing at least 1,000 workers over the next three years. Apple also pledged to add hundreds of jobs each in New York; Pittsburgh; Boston; Boulder, Colorado; and Portland, Oregon.

"They are just pick-

ing America's most established superstar cities and tech hubs," said Richard Florida, an urban development expert at the University of Toronto.

Apple's scattershot expansion reflects the increasing competition for engineers in Silicon Valley, which has long been the world's high-tech capital. The bidding for programmers is driving salaries higher, which in turn is catapulting the average prices of homes in many parts of the San Francisco Bay Area above \$1 million. Many high-tech workers are thus choosing to live elsewhere, causing major tech employers such as Apple, Amazon and Google to look in new places for the employees they need to pursue their future ambitions.

"Talent, creativity and tomorrow's breakthrough ideas aren't limited by region or ZIP code," Cook said in a statement.

Cities around the country offered financial incentives in an attempt to land Apple's new campus, but Cook avoided a high-profile competition that pitted



Ricardo Brazziell/Austin American-Statesman via AP Apple employees attend an event about Apple's new campus announcement in Austin, Texas, on Thursday.

them against one another, as Amazon had before deciding to build huge new offices in New York and Virginia.

Amazon could receive up to \$2.8 billion in incentives in New York, depending on how many it ultimately hires there, and up to \$750 million in Virginia. Apple will receive up to \$25 million from a jobs-creation fund in Texas in addition to property-tax rebates, which still need approval. The figure is expected to be a small fraction of what Amazon received.

The government incentives offered to Apple seem "more in the line of normal business site selection" compared with Amazon's public "shakedown," said Mark Muro, a senior fellow at the Brookings Institution's Metropolitan Policy Center.

"There's a growing backlash in the country against the entire process of subsidies and relocation inducements," Muro said. "That said, the Apple numbers for a very significant increase in jobs are much less eye-popping than the Amazon numbers."

The spots where Amazon and Apple decided to expand were obvious choices, based on an analysis released earlier this year by CBRE Research. Washington, D.C., ranked as the third best place in North America for tech talent, behind Silicon Valley and Seattle. New York ranked fifth and Austin sixth. No. 4 was outside the U.S.: Toronto.

The new Austin campus, with about 3 million square feet of office space, will be about a mile from another large office that Apple opened five years ago. Apple currently employs about 6,200 workers in Austin, making it the company's largest hub outside Silicon Valley even before the expansion.

The new jobs are expected to mirror the same mix Apple already has at its Cupertino, California, headquarters, ranging from jobs in technology and research that pay well over \$100,000 to lower-paying positions in customer call centers. Austin Chamber of Commerce Board Chairman Phil Wilson described jobs that Apple will be

adding as "mid-skill" and "good-paying."

Virtually all of the jobs in Seattle and San Diego will be in technology — a field where six-figure paychecks plus stock options are standard. The jobs in Culver City, about eight miles from Hollywood, will also be in digital music and video, two areas Apple is expanding in to boost its subscription entertainment offerings.

While much of the \$250 billion overseas profits has been earmarked for buying back company stock and paying higher shareholder dividends, Apple pledged in January to finance more than \$30 billion in capital expenditures in the U.S. over the next five years. It also committed to creating more than 20,000 more U.S. jobs during that same time frame. After adding 6,000 jobs, Apple said it now has 90,000 U.S. workers and is on track to fulfill its expansion pledge on schedule.

Where U.S. companies open new facilities or plants has had the potential for public and political backlash.

Pelosi says House Dems will start seeking Trump tax returns

By ALAN FRAM Associated Press

WASHINGTON — Democrats controlling the House next year will start trying to obtain President Donald Trump's income tax returns from the Internal Revenue Service, the likely next speaker said Thursday.

But Nancy Pelosi, D-Calif., expected to lead the House when the new Congress starts in January, said she believes the White House will fight the request, "so the question is where do we go from there."

Pelosi's comments reflected Democrats' struggle to balance liberal voters' antipathy and suspicions of Trump against the likelihood of a long legal struggle and uncertain political gains.

Trump, a wealthy real estate baron, shunned decades of tradition by presidential candidates and refused to release his tax returns during his 2016 campaign. He said he was being audited, even though IRS officials have said taxpayers under audit are free to release their returns.



AP Photo/J. Scott Applewhite House Democratic leader Nancy Pelosi of California finishes a news conference at the Capitol in Washington on Thursday.

The law says the chairs of three congressional committees can request tax returns and the Treasury secretary "shall furnish" them for panel members to review privately. Pelosi told reporters that the House Ways and Means Committee "will take the first steps" toward obtaining the documents.

Democrats would love to explore numerous questions about Trump's personal financial webs. Those include whether there are conflicts of interest between his companies and his presidential actions, whether

he's properly paid taxes and whether he benefited from last year's mammoth, Republican-written tax bill.

Even so, a court battle over the request could take years to resolve. Some are concerned Trump could cast himself as being persecuted by Democrats attempting to use the IRS to pursue their political enemies and warn his conservative backers that they might be next.

Democrats have said the first bill they introduce next year will include language requiring presidents to release their tax returns.

FRIDAY AFTERNOON & EVENING

Table with columns for time slots (12 PM, 12:30, 1 PM, 1:30, 2 PM, 2:30, 3 PM, 3:30, 4 PM, 4:30, 5 PM, 5:30, 6 PM, 6:30, 7 PM, 7:30, 8 PM, 8:30, 9 PM, 9:30, 10 PM, 10:30, 11 PM, 11:30) and rows for various channels (FOX, CBS, NBC, ABC, PBS, etc.) listing programs like 'Paid Program', 'Divorce Court', 'The Talk', 'The Dr. Oz Show', etc.

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