

# Austin American-Statesman

## **\*TBLC COVID-19 MEDIA CALL: CORONAVIRUS IN TEXAS: A STATE REOPENS FOR BUSINESS**

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Hoping to turbocharge a Texas economy shackled by the coronavirus lockdown and bruised by an oil value free fall, Gov. Greg Abbott was among the first public executives in the country to declare his state open again for business.

Now the Texas economy — like so much in this coronavirus era — is like a closely watched laboratory experiment. On the ground, from Austin to the hinterlands, businesses report simply trying to survive a devastating couple of months.

In some cases, this has required creative work-arounds of businesses of all stripes.

In Austin, at least a half dozen strip clubs announced they would reopen May 22. In a Facebook post directed toward its entertainers, Foxy's Cabaret wrote that hair and makeup would need to be finished upon arrival and that employees "must have protective masks as well. All of this is a requirement to work, no exceptions. We will go over the new rules as well before you ever step foot on floor."

In the suburb of Kyle, the entertainment complex Evo Entertainment was showing movies again by early May, with seats available only in alternating rows and a limit of five customers per group. As the end of the month drew near, Evo reopened its bowling lanes, requiring temperature checks and masks of guests and staff.

On the company's website, CEO Mitch Roberts reported that "not one of our incredible 900 team-members lost their jobs or missed a paycheck," as the company sold streaming movies. An online market operated by Evo that specializes in do-it-yourself pizza kits, found that its top sellers were milk, eggs, toilet paper, ground beef — and gallons of prepared margaritas.

As May drew to a close, two Texases were emerging.

In rural and suburban areas lightly touched by the pandemic, Texans returned to restaurants and shops in a show of can-do optimism — peppered with a streak of lockdown defiance.

In Fredericksburg, a popular Hill Country touristy town known for its peaches, Penny McBride, president of the local chamber of commerce, told the American-Statesman that while most businesses had reopened, many were still operating with reduced capacity limits mandated by the governor.

The biggest difference visiting Fredericksburg now and, say, a year earlier, she said, is that some businesses have to limit the number of people who can enter their shops or restaurants.

"Sadly, we expect to see some permanent closures as a result of COVID," McBride said. Other businesses are not reopening for now, because it's too difficult to make physical changes to limit customers or operating at a diminished capacity doesn't make sense for their bottom lines, she said.

Officials in urban areas like Dallas, which saw some of the highest rates of infections, continued to discourage residents from any sort of mingling.

Even as Abbott removed some restrictions on restaurants, many continued to be shuttered in Austin, or offering only takeout options.

Good news can't come fast enough.

During the heart of the shutdown, from March 15 through May 16, at least 2 million unemployment claims were filed by Texans, according to statistics released by the Texas Workforce Commission.

Austin economist **Jason Schenker** said at a **Texas Business Leadership Council** event that it could be a couple of years before the Texas economy returns to its pre-outbreak production level.

"We probably won't be back to the level we were at before all of this started until about two years from now," said **Schenker**, the president of Austin-based Prestige Economics. "Now, the job market might take four or six years, or even longer than that."

From a business perspective, "we only hope our customers will show some patience as well," said McBride in Fredericksburg. "We desperately want customers back. But like everything else, business operations been upended, and it's not as easy as just turning the tap on and off."