

THE

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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

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Dear Client:

After a number of bumps and detours, the Formula One US Grand Prix event in Austin is racing headlong to the inaugural race date exactly nine months from now. This is probably to the dismay of the naysayers – especially those who claimed this high-dollar, high-society world event was not appropriate for Austin.

While the 191.9 mile, 56-lap race on a new, state-of-the-art, specially-designed track southeast of downtown Austin **may not fit the “Keep Austin Weird” template, Austin is a very important ingredient to attract race-goers.** And, frankly, if no Austinite attended the event, the 120,000-person facility would probably be full for the practices and prelims November 16th and 17th and the race itself Sunday afternoon November 18th 2012.

Austin is recognized nationwide and around the globe with a well-deserved reputation as a “go-to” leisure travel destination. Knowing this, many **Formula One fanatics will descend on Austin from all over the US and points worldwide.** They will pack hotels, restaurants and night spots, dropping big bucks with area businesses and services.

To illustrate the impact, UT Austin Athletic Director **DeLoss Dodds** successfully avoided scheduling a home football game that weekend. As he told the *Statesman* **“it’s something we need to avoid. For our fans, hotel rooms would be gone or \$500 a night. That would be a disaster.”**

Interest in the Austin event is already building. **The Circuit of the Americas (COA) closed out its waiting list for a seat license this week.** A seat license allows a holder to pay a premium (not yet publicly announced, but based on location and amenities) for the opportunity to spend even more money for tickets at the circuit for the next 15 years.

For your planning purposes (*to take advantage* of this rare event, or *to avoid* trying to get a restaurant reservation, etc.), **the cars will be zipping around the 3.4 mile track in mornings and afternoons Friday November 16th and Saturday November 17th.** These practices and prelims will weed out the non-qualifiers. **The race for the marbles will start at 1 pm Central Time Sunday November 18th.** You can get more detail at www.CircuitOfTheAmericas.com. For additional related info, check out the next item.

If you want one of the better seats at the Circuit Of The Americas Formula One US Grand Prix, what will it cost you and what will you get for that price?

First of all, you've just missed getting on the waiting list for a Personal Seat License (PSL), but after those on the waiting list pony up the bucks and make their choices starting March 1st, then it will open up again. A personal seat license is similar to those used by UTAustin for its sporting venues, such as football, basketball, etc. **A PSL provides the purchaser with "ownership" of a specific seat at the Circuit Of The Americas venue for the next 15 years.**

Personal Seat Licenses will range in price from \$1,000 to \$5,000 per seat, depending on proximity to the start/finish and amenities. Well, what do you get with the PSL, other than a guaranteed seat? You get the opportunity to buy a ticket for that seat – at the going rate. Plus amenities.

What sort of amenities? All the Circuit Of The Americas folks will say is **"luxurious benefits and amenities to provide the customer the best race-day experience possible."** Sales reps apparently will explain all that, along with the pricing for those goodies, starting March 1st.

The seats, with appropriate amenities and benefits, include Founders and Legacy Suites, balcony, mezzanine, loge and trackside seating, with near-the-track platinum seating at the start/finish. **In the main grandstand, which will have 26 rows, amenities will include stadium seats, in-seat food and beverage service, priority on-site parking, a direct view of three big video boards and a view of the start/finish line as well as the pit area.**

The race will be held once a year. **But the venue is designed to host other events throughout each year.** For instance, there is a planned 5,000-seat amphitheater to be used for concerts.

Speaking of events, if a see-all-the-games die-hard Longhorn football fan is also a three-straight-days concert-going music fan, a decision is looming for this fall – the classic contest between UT and OU in Dallas OR the popular Austin City Limits Music Festival.

For some time now, the UT/OU football game was set October 6th in Dallas's Cotton Bowl stadium to coincide with the State Fair of Texas. **It's a big deal in the world of college football, with national TV coverage and the spectator seats divided evenly between the two teams.** The added attraction is the State Fair, staged all around the stadium

But this week, the Big 12 conference announced the **UT/OU game will be played October 13th,** instead of October 6th due to a reshuffling of games with the addition of two new teams to the Big 12. **The ACL Music Fest was earlier set for the 13th,** chosen in part because it wouldn't conflict with the UT/OU Dallas game. Now, some will have a tough choice to make.

UTAustin students who stick around the campus after earning more than the required number of credits for a degree may have their tuition hiked to speed up their exit.

This is just one of more than 60 recommendations this week by a faculty/student task force charged with increasing UTAustin's four-year graduation rate. **Half the students take more than four years to earn an undergraduate degree.** Think about this. Of course, you have your slackers who take a minimum load of courses and hang around enjoying the life of a student for years. But then there are the "real" students who, for whatever reason, cannot graduate in four years. Both create problems.

As UTAustin president **Bill Powers** put it: "few actions we could take as a university would benefit students, parents, and the University itself as increasing our four-year graduation rate. **Timely graduation means a more affordable education for students and their families and would give more students access to a University of Texas education.**"

A problem for some of the "real" students is the "bottleneck" course. **These are courses required for a degree plan, but limited seats keep many students from taking the courses timely.** And if many of these courses are also a pre-requisite for taking more advanced courses, a delay in taking the "bottleneck" course just kicks the degree can further down the road. Part of the task force's recommendation included charging an administrator specifically with addressing the "bottleneck" problem

Obviously there are too many recommendations to chronicle here. But some focus directly on the student, such as **requiring orientation for all incoming first-year students to get them started on the right degree track.** Another would set up a more **precise academic monitoring program for students to allow for early intervention** and provide mentoring or tutoring when students start to struggle.

Increasing the four-year graduation rate would help UTAustin attain success in the cost-cutting and productivity-increasing categories. Powers likes to set goals, especially to achieve his broad goal of making UTAustin the best public university in the nation.

"Although our four-year graduation rate of 50% is the highest of any public university in Texas, we must aspire to more," said Powers. **"It is no coincidence that the most prestigious universities also have the highest graduation rates,** and if we want to become the best public university in America, we must target this issue."

His goal: **raise the four-year graduation rate from 50% to 70% in the next five years.** "Raising our graduation rates by 20 points in half a decade is an audacious goal," Powers said. "It will require the focused effort by both administrators and students to make it happen. But I'm convinced the benefits will repay the effort many times over."

How many households in the Austin area had incomes above \$200,000 in 2010? 10,000 ... 30,000 ... 50,000? And, as a percentage of the population, where did the Austin area rank?

According to an analysis of the 2010 USCensus Bureau data by *On Numbers*, **31,812 Austin area households had income and benefits of \$200K and above.** (*On Numbers* is a feature of American City Business Journals).

That 31,812 number of households represented 5.13% of the households in the Austin area. (This is slightly below the national average of 5.4%.) And it ranked Austin #47 on a list of 942 US metro areas.

What about the rest of Texas? Well, **Dallas-Fort Worth-Arlington tallied 5.18% of its metro households with a 2010 income above \$200,000 and that resulted in a #44 ranking,** both close to the Austin metro tallies.

But the Texas biggies were Midland and Houston, where oil and gas drive their economies. Houston ranked #33 nationally with 5.62% of households earning more than \$200K a year in 2010. That was good enough to be #2 in Texas.

But it paled beside Texas' #1, Midland. **Midland ranked #17 in the nation with 6.64% of households that had an income of more than \$200,000.**

Where is the most affluent area in the nation – “affluent” defined as household income and benefits \$200,000 and greater? Not surprisingly, it is **Bridgeport-Stamford, Connecticut. Its' percentage: 16%.** It was followed by San Jose, California at 13.2% and Los Alamos, New Mexico at 12.3%.

Dr. Louis Overholster is an astute observer of the human condition. He just puts his own spin on his observations, such as: “women will never be equal to men until they can walk down the street with a bald head and a beer gut, and still think they're sexy!”

Sincerely



Editor/Publisher