



Volume 35, Number 3

April 12, 2013

Dear Client:

While it hasn't been announced, look for the multi-purpose 16,000-seat Frank Erwin Center on the UT Austin campus to be torn down, even though the arena is not all that old and it is still hosting major events, just as it has since it opened 11/29/77.

More than 27 million people have passed through the Erwin Center's turnstiles. As the versatile arena celebrates its 35th anniversary this year, the big name acts keep drawing people to the 1701 Red River Street site. Just this week, rocker **Bon Jovi** drew a big crowd and country star **Taylor Swift** is booked for 5/21/13. Rock legend **Paul McCartney**, of **Beatles** and **Wings** fame, makes his first-ever Austin appearance the next night, 5/22/13 (FYI, the McCartney tickets go on sale today, 4/12/13).

The **Texas Longhorn basketball team** has played all its home games in the Erwin Center, winning the first game (UT 83-OU 76). Sellout concerts have featured such diverse acts as opera star **Luciano Pavarotti** and rock star **Bruce Springsteen**. Professional **boxing and wrestling** matches have been held on the same floor where the **Ringling Brothers Circus** and the **Harlem Globetrotters** have performed. The Erwin Center has even been the site of *funerals* (**Gov. Ann Richards**, **Coach Darrell Royal** and the center's namesake, **Regent Chair Frank Erwin**). What a storied history. But the center's walls will come tumblin' down.

The reason: **to make room for the rapidly-expanding University of Texas medical school.** To be sure, no announcement has yet been made. And construction hasn't even started on the med school. But it just makes sense. Consultants are drawing up the Master Plan for the medical campus as we speak. In fact, the Plan could be presented as early as next month.

In the grand scheme of things, **academic and research buildings associated with the medical school take precedence over an arena.** The location is ideal – on campus and adjacent to IH35. The Erwin Center arena and parking are just across the street from the University Medical Center at Brackenridge. Across the street the other way is open space, parking garages and an UT Austin tennis complex.

Moving at a rapid pace, **the Big Idea of a medical school is becoming even Bigger.** So, where does this mega-project stand as of today? You'll get a bullet-point summary in the next item, as well as an open-ended question referencing what will replace the Erwin Center and where.

The proposed UT Austin medical school is progressing quickly and quietly – on a path to accept students as early as 2016, though not even a spade of dirt has yet been turned. Here’s what has happened over the past few months.

Former Austin mayor State Senator **Kirk Watson** has been at the point of most med school developments since he joined with UT Austin, the UT System, the Seton Family of Hospitals and others to reveal what he dubbed “**10 Goals in 10 Years.**” Here’s how he sees the current status of this major undertaking that will have a major economic impact on Austin for generations to come:

- UT Austin has already hired a new Vice Provost for Biomedical Sciences, Dr. **Robert Messing**. He and Dr. **Susan Cox**, UT Southwestern’s Regional Dean for Austin Programs, are co-chairing a steering committee that’s looking at a huge range of issues: **the med school’s accreditation, mission, curriculum development, the search for a dean, facility needs, community outreach and integration with the existing people, programs and resources at UT Austin.**
- **Seton is moving forward with plans for the new teaching hospital they hope to open in 2017.** At a recent board meeting of Central Health (Travis County’s health care district), Seton announced the effort will include a much-needed **14-bed medical-psychiatric care unit.**
- The medical school is not simply one building. As envisioned it will be a complex of facilities. So, **UT Austin has been working with consultants on a new Master Plan for the campus** to determine the precise location of the medical school’s academic and research buildings.
- Watson and others are working to create what they call “**an innovation corridor**” in the downtown/Central Austin area that will connect the medical school with research at UT Austin, the new teaching hospital that Seton plans to build, and **private-sector researchers and start-ups** that will help bring new technologies to market.

These are just the highlights. There is more, including widespread efforts to develop what Watson says is “**a Regional Healthcare Plan that will transform health care in Central Texas.**” And don’t forget that for years, UT Austin has been assembling the resources and assets that will make the medical school possible. Additionally, the **UT System has guaranteed at least \$25 million a year and another \$40 million over the first eight years** to assure the med school complex will be a reality.

Finally, the **Dell Foundation recently announced a \$50 million commitment to support what will now be called The Dell Medical School at UT Austin.** The reality is near.

Oh yeah, what will happen when the Frank Erwin Center is demolished? Twenty-seven million people have attended events in the Erwin Center over the past 35 years, generating big bucks for the university. So what does UTAustin have in mind moving forward?

Good question. And the answer is not yet known. But one thing appears certain. **Another venue will probably be part of the overall plan.** If for no other reason, Texas sporting teams like men's and women's basketball, volleyball, etc. -- need a place to practice and play and to house offices for the appropriate athletic staffs and coaches. But there are two major questions:

First question is "*where?*" There are two logical places nearby. One would be to **tear down and re-locate the Mike Myers soccer field.** It's oddly-shaped, but it is on land owned by UTAustin and the small stadium would be easier to re-locate. Another logical location would be to **jump IH35 and locate in the immediate vicinity of the UT baseball stadium, Disch-Falk Field.** The urban legend is UTAustin has been acquiring individual properties, one-by-one for years in that area because the university promised landowners years ago it would not use its powers of eminent domain to "take" homes and property in that area. Hence the piecemeal acquisition.

Does UTAustin own enough land east of IH35 for a new special events facility? Frankly, we don't know. We *do* know that years ago, when there was talk about moving the football stadium north of the campus to make way for additional academic structures, a firestorm of negative reaction erupted. The ultimate decision was to expand and enlarge the stadium on the current site. Football is more of a sacred cow than other sports. But a new location far away from the campus would likely be questioned.

Second question is "what *type* facility -- or facilities?" Thirty years of experience with the Erwin Center, along with technological and construction improvements, obviously could suggest a more-improved solution. One observation is that because the Erwin Center was designed to host a wide variety of events, it was not ideal for any single event.

Complaints have been uttered for years that the Erwin Center was not as good as it could be for basketball, and concert-goers have long complained about sight lines, acoustics, etc. when it was configured for concerts. So, more than one building, built to specific needs for specific events could be an option.

And then there is the big, really big, factor called "parking." Besides parking garages and/or surface lots, parking for thousands of cars requires egress and regress, usually within existing roadways. It's not likely the Erwin Center will be demolished immediately. But with the long lead time for such major construction projects, and the speed with which the med school is progressing, you can **expect some plans to be revealed sooner rather than later.**

So, you think that when the every-two-year session of the Texas Legislature ends six weeks from now on Memorial Day, the legislators won't be back in session until January 13th 2015. Think again. Look for the Governor to call them back into special session next spring.

Texas does not follow the norm of scheduled legislative sessions in other states. The Texas Legislature is constitutionally mandated to **meet for 140 days every two years**. After the current regular session ends by midnight May 27th, it is not scheduled to re-convene until January 13th 2015. **But the governor can call a special 30-day session whenever the sitting governor decides** and can call as many of them as is deemed necessary.

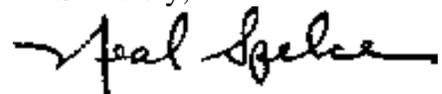
True, the governor has not yet called a special session. But the accepted wisdom in the halls of the State Capitol building is that Governor **Rick Perry will call a special session late next spring to consider the hot topic of public school finance**. Why *then*? And why *the hot topic of public school finance* that has caused so much consternation in the past?

State leaders are anticipating a Supreme Court ruling that will require a re-jiggering of how Texas funds the state's public schools. And because it is such a controversial topic requiring boatloads of money, the governor will likely wait until *after* voters have decided on their party's nominees for statewide elected officials, state senator and state representative in the springtime 2014 party primary elections. The party primary dates have not yet been set.

When you think about it, the current legislative session has been relatively quiet. Redistricting – always a divisive issue – was not on the agenda as it only comes up every 10 years when the new official USCensus figures are released. And, of course, the **school finance knock-down, drag-out has been postponed to a special session next year**. By the way, the only measures that can be considered in a called session are those submitted by the governor.

Dr. Louis Overholster cherishes the long-ago political humor of Will Rogers, such as: “A fool and his money are soon elected!”

Sincerely,



Editor/Publisher