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Dear Client:

You know the major changes in downtown Austin streets? Well, the City is moving aggressively to expand its robust “Complete Streets Policy.” You will see more miles of “bicycle lanes, protected bicycle facilities, sidewalks, accessible transit stops, street trees and other streetscape improvements” *outside* the downtown corridor.

The city’s “Complete Streets Policy” project just completed its first year and its focus was mainly devoted to planning. Now it is touting “exciting plans for the year ahead.” The stated goal: **“ensure that our community’s streets are more safe, comfortable, and convenient for people of all ages and abilities – whether they choose to travel as pedestrians, by bicycle, by transit, or by vehicle.** By making biking and walking safer, Complete Streets encourage travel by these modes, especially for short trips – which also helps to reduce traffic.”

Examples cited by the Austin Transportation Department (ATD) **“include the current corridor planning for South Lamar Boulevard and Burnet Road.”** For one example, let’s bypass Burnet Road for now and look at South Lamar. **The area proposed for major modification involves South Lamar from Riverside Drive south to Ben White Boulevard** – a primary route to and from downtown Austin. What sort of modification? Here’s how ATD phrases it:

“Identify short, mid, and long-term transportation safety improvements ... **enhance multimodal (transit, pedestrian and bicycle) mobility, safety and accessibility** ... and develop opportunities for positive impacts on overall health and well-being.” The study, launched last year, is projected to be complete by August 2015.

So, two major travel arteries outside Austin’s Central Business District will soon be undergoing make-overs similar to those you have seen in the downtown area. Obviously it’s all subject to funding, which is expected to be considerable.

Another impact: Any and all private property changes along the two routes will be subject to these new policies. In other words, city staffers are being admonished, for example, to ensure **“all developments include code-compliant sidewalks that serve to implement the Policy.”** And, of course, applicable city guidelines will need to be re-written to bring them into alignment with the Complete Streets Policy.

Austin Mayor Steve Adler and many members of the new Austin City Council have been complaining loudly that appraisals of commercial properties are undervalued. As a result, they claim, their property taxes are too low. And they say this means *residences* are carrying a heavier property tax load. This debate appears headed to the courthouse. But the “other” side of this debate has not received much notice – until now.

There are two types of commercial properties under discussion – real property (commercial buildings) and unimproved land (commercial lots). A City Council-commissioned report (that has been challenged as misleading, by the way), claims **commercial *properties* were under-appraised by an average of 27% and commercial *vacant or undeveloped land* was under-appraised by 76%.**

The techniques of appraisal of real property are well-established and grounded in economic reality. The use of the Sales Comparison Approach in appraisals demands that properties being used as comparables to a property being appraised must have the same Highest and Best Use and meet all of the other criteria in the definition of Market Value.

Three Austinites – attorney **Terry Bray** and developers **Perry Lorenz** and **Robert Knight** – recently presented a detailed memorandum to the City Council and the Travis County Commissioners Court. In it, **they took exception to the assumption that raw land is the same as fully-entitled or shovel-ready land.** And they recited chapter-and-verse why the two should not be lumped together.

“In the downtown market in particular, the Travis County Appraisal District (TCAD) consistently uses data from closed sales of *fully-entitled* sites as comparables for the valuation of *unimproved* parcels,” they wrote. They argue the land should be valued for what it would sell for in its present condition. **“Using a fully-entitled parcel with permits in place as a comparable to raw land is the equivalent of using the cost of filet mignon in a grocery store as comparable to the price of beef on the hoof.”**

Lumping them together is “not because data from raw land is unavailable,” they said. “The data is available, but **TCAD simply chooses not to use it because it does not support the popular political position that land is undervalued and commercial landowners are gaming the system to the detriment of homeowners.** The battle is joined (even though Travis County voted *not* to join the City of Austin in the courthouse). As Bray, Lorenz and Knight put it:

“The owners of commercial property have the same constitutional right as the owners of residential property to have their property assessed at its market value. **They can be expected to defend those rights vigorously.** A statistical analysis, no matter how carefully crafted, that does not acknowledge real world market forces, **does not meet the constitutional requirement of assessing a property at its market value and will not survive a legal challenge.”**

How much is it going to cost a student to enroll at UT Austin's Dell Medical School when it opens? The university and many local citizens are justifiably proud of one of Austin's most significant economic and educational developments in recent years. Med schools are costly, no doubt about it – even at public universities. How does DellMed compare, what will the tuition/fees buy and what will be the level of attainment envisioned at DellMed?

First of all, the cost. The UTSystem Board of Regents has already approved total tuition and fees. **Students who are Texas residents can expect to pay \$19,292 year.** Well then, how does this price tag compare to other top public medical schools – most that have been producing well-educated docs for decades?

DellMed officials say the approved tuition/fees tab will be 40% less than other public med schools offering an exemplary education. The initial curriculum is for four years. So the total cost – just tuition and fees alone – **for four years will be \$77,168 for a DellMed student.**

The medical school came to fruition during the presidency of **Bill Powers.** “Adding a medical school to UT Austin has long been a dream, ever since the UT Medical Branch was separated from the Austin campus more than a century ago,” Powers was quoted recently in the university's alumni magazine. **“It took some patience and not rushing ahead before we got the funding, but it got done.”**

It was a major accomplishment because there hasn't been a new medical school created at a major teaching and research university in decades. Sure, a medical school is nice to have for any top-rated research university, but **what about DellMed's true value to UT Austin?**

“In the hunt for federal research dollars, **UT Austin has trailed competitors because it did not have a med school,**” said Powers. “Given how strong the biomedical sciences and engineering departments are, its highly-ranked nursing and social work and pharmacy schools, and the fact that the most popular major at UT Austin is pre-med, **adding a medical school is akin to putting a supercharger on an already speedy car.**”

But there is more. Due to the fact DellMed is starting from scratch. “Everything about the medical school is being designed with an eye toward **redefining the way health care is delivered and how doctors and health care professionals are trained.**”

Powers is effusive in his assessment of DellMed's potential. “It will enhance all the health-related research we're doing, it will improve clinical care,” he mused. **“I think it will develop new ways of delivering health care, which in some ways is more of an issue in America today than is the actual care.”**

Here's Powers' DellMed perspective: **“Twenty to 30 years from now people will look back and the medical school will be the most transformative single event that took place.”**

Drought (what drought?) update: For the first time since the fall of 2010, the Texas Water Development Board (TWDB) reported statewide reservoir storage is *above* what would normally be expected this year. And that's not all the good news.

Locally, the Central Texas reservoirs **lakes Travis and Buchanan contain more water this week than is normal for this time of year** – though they are not yet classified as “full.” As far as the drought itself, TWDB reports that this week there is only “one frazzled thread of drought in the Panhandle.” However, the LCRA says it continues to maintain a drought watch.

The Austin Independent School District (AISD) has altered its summertime work schedule by going to a four-day workweek in hopes of saving about \$716,000, as it did last year.

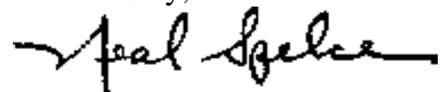
Beginning this week and ending August 14, 2015 All AISD district and campus offices will be closed on Fridays. **All schools and offices will adopt a four-day workweek during this time. Business hours will be 7 am – 6 pm, Monday through Thursday.**

By several measures, Austin is the *best* place to live in Texas. Okay. What about the absolute *worst* places to live in Texas? We're only reporting this Ten Worst list to de-bunk it.

Claiming it uses readily-available data from a variety of sources, a website (we're not going to name the site, to avoid giving it publicity) said it analyzed the 238 most populous cities in the Lone Star State to come up with its ranking. Are you ready? The absolute worst, according to its ranking is **Jacksonville**. Next in line: **#2 Port Arthur ... #3 Donna ... #4 Tomball ... #5 Mercedes ... #6 Vidor ... #7 Galveston ... #8 Weslaco ... #9 Freeport and #10 Huntsville**. Most of its comments about each city were snarky at best.

Dr. Louis Overholster says traffic is so bad in Austin, a pedestrian is someone in a hurry!

Sincerely,



Editor/Publisher