

# Popular site near University of Texas to be redone

## Old Tower Records bldg. to hold 3 eateries

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The former **Tower Records** building on “The Drag” will soon be renovated.

When the Varsity Theatre on Guadalupe Street in Central Austin turned off its movie projector in 1990, **Steve Wilson** lamented its loss.

“It’s going to be a fancy new building.” Wilson, who managed the Varsity during the final 10 years, told *The New York Times*, which ran an obituary on the then 50-year-old theater just before Tower Records took the building.

Twenty years later, Tower Records is long gone, and a “fancy new building” is again needed — and on the way, thanks to a \$2.5 million plan by local developers. Since a short-lived bookstore closed there four years ago the building has seen little activity, serving largely as a hotspot for panhandlers eager to tap into the heavy foot traffic along “the Drag” next to the University of Texas campus.

But after the renovations, three eateries will attempt to cash in on one of the busiest sidewalks in town.

Plans for a Coffee Bean & Tea Leaf, Qdoba Mexican Grill and Noodles restaurant are in the works for the 11,000-square-foot building. Developers are dealing with potential general contractors and hope to start construction next month.

After considering restoring the building facade to its original art deco grandeur, designer **Michael Antenora** of Antenora Architects has decided instead to restore the classic-film mural created when Tower Records moved in 20 years ago.

“They have been repainted and modified many times through the years, but we were able to put our hands on some pictures of the original composition,” Antenora said.

**Bill Duffy**, who formerly worked as an executive with Tower Records and now is the chief operating officer of Coffee Bean Texas, is in talks with the original artist, **Federico Archuleta**, Antenora said.

Developers also plan to engage University of Texas students to solicit ideas for a new movie slide to feature on the building.

The original “Varsity” sign will also be restored by **Jake Jacobson** of Lewis Signs, who is the son of the man who first installed it and found pictures of the original, Antenora said.

The redevelopment is spearheaded by **Wes Colwell**, managing director of Houston-based Meridian Asset Strategies. Colwell also has a deal with the Qdoba chain — a subsidiary of Jack in the Box (Nasdaq: JACK) that serves food similar to Chipotle Mexican Grill Inc.’s (NYSE: CMG) — to open eight in the Austin area.

Colwell signed the deal in 2008, but he has managed to open only one store so far because banks weren’t lending for new restaurants, he said. There are three years left on the contract to open six more locations.

### **Close call at City Hall**

The plan to reinvigorate the Varsity almost fell apart when developers weren’t able to cut through red tape at City Hall, Colwell said.

A disagreement between city planners and Austin Energy about electrical infrastructure stalled the project and forced developers to spend a “long time in meetings,” Colwell said.

“We have been paying rent since July 1. We have been beating our heads on how to get this done,” Colwell said. Had the process dragged on another six months, “the economics would have gone out the window. Even Noodles said this is killing our economics.”

Now, with everyone apparently seeing eye to eye, Antenora said they are hopeful the city will issue a building permit soon.

“Trying to put it all together took a while, but we finally got there,” Colwell said. “All in all, I think the site will be very neat.”

**Courtesy of JB Goodwin**