

# Austin American-Statesman

## New residential projects planned for East Austin

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More apartments are coming to East Austin as the demand for downtown living marches across Interstate 35.

A Houston developer plans to build a 283-unit luxury apartment complex on San Marcos Street between Ninth and 11th streets. The land, known as the Bennett tract, once was slated for everything from an office park to a shopping mall possibly anchored by Nordstrom or Macy's.

Martin Fein Interests Ltd. plans to start construction by late summer or early fall on the Robertson Hill Apartments, said Tim Wooten, executive vice president of the company, whose projects include two upscale apartment complexes in Round Rock. The proposed Robertson Hill Apartments complex is the latest in a series of new residential and commercial developments slated for East Austin.

Urban housing has been springing up in and around downtown Austin, but not everyone can afford \$1,100 a month for rent or a \$300,000 condominium. East Austin provides less expensive land for developers, who can then build more moderately priced projects. The first such East Austin project, the Pedernales Lofts, opens next month. Located about 10 blocks east of the Robertson Hill site, the Pedernales Lofts will have 105 residential lofts with prices ranging from about \$100,000 for 680 square feet to just less than \$200,000 for 1,200 square feet. Already, 93 of the units have been sold.

Next to the Pedernales Lofts, Seattle-based **Campbell-Hogue & Associates Inc.** is planning the \$16 million Villas on Sixth, 160 units at East Sixth and Robert Martinez Jr. streets. Eighty-five percent of those units would be reserved for households making less than \$40,000 a year, with rents as low as \$385 for a one-bedroom unit with about 650 square feet. The rest would start at about \$600.

**Campbell-Hogue** plans to start construction in September, with the first units available in June 2005.

Wooten would not divulge rents for Robertson Hill. Although the apartments will be upscale, he said, the East Austin location will allow the company "to provide luxury rental housing downtown at a more affordable price point." A portion of the units will be set aside as affordable housing under city guidelines, Wooten said.

No public hearings will be necessary to get the project approved, said Jim Gallegos, a principal with Bury + Partners Inc., the project managers and civil engineers helping the company obtain its site development permit. That's because the plan complies with all current zoning requirements and existing agreements between the city and the landowner. When the Robertson Hill project breaks ground, it will close a chapter on a site that has seen numerous plans come and go.

In the late 1980s, zoning for the Bennett site called for a 1.4 million-square-foot regional mall, with a hotel and office tower.

"One of our requests was to add a residential component to the zoning," said Matt Mathias, principal with Riata Partners, the master developer of the property. "It made it a more viable mixed-use development."

Riata Partners has held an option to acquire the property from California-based trustee Rocca & Phillips for three years and plans to close on the sale shortly. Notices of the proposed apartment project were mailed out to neighbors late last week, Mathias said. Over the years, neighbors have expressed concern about plans for the property.

However, Gallegos said he doesn't think the apartment project will generate controversy. Representatives of several nearby neighborhoods could not be reached for comment. "Since this is a residential project, I think it will be received well," he said. Initially, Riata's plans focused on office and hotel uses as it hoped to attract a major employer to the site.

"Because of different economic factors, those plans fell apart," Mathias said. Mathias said they decided six months ago to change the focus of the development. With the office and hotel markets in the "recovery mode," apartments provided the best development opportunity at the moment.

An additional block, between Eighth and Ninth streets along Interstate 35, is restricted to residential development. That leaves an additional 2.5 acres at Eleventh Street and Interstate 35 for additional commercial development -- possibly hotel and retail uses. "The rest of the development will be dictated by market conditions," Mathias said.