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Think you can't afford to live near downtown?

BYLINE: Kate Miller Morton AMERICAN-STATESMAN STAFF

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The **Villas on Sixth**, the only predominantly affordable housing project near downtown, officially opened its doors this week. It offers low-to-moderately priced apartments in an area increasingly targeted for high-end development.

Eighty-five percent of the development's 160 units are reserved for households making no more than 50 percent of the area's median family income. Under this formula, a family of four making \$35,500 or less per year would qualify.

Until recently, most housing in East Austin was affordable to these households. But a surge in new development and redevelopment of single-family houses and upscale condos in the area, including the Pedernales and Saltillo lofts nearby, has driven up home prices and property taxes.

"This project secures lower-cost housing for the community at a time when market pressures are increasing costs dramatically," said Paul Hilgers, director of Neighborhood Housing and Community Development for the City of Austin. "This project is one of our best weapons against gentrification in East Austin."

The development has many amenities found in most new apartment complexes, including a swimming pool, exercise facility, business center and clubhouse. It will also have a small amount of retail and commercial space and a YMCA district office, which will operate an after-school learning center.

Monthly rental rates for units designated as affordable are determined **on** a sliding scale depending **on** income and family size. Rents start at \$469 for a one-bedroom unit and go up to \$725 for three-bedroom units. Rents for the 24 units leased at market rate range from \$665 to \$950.

All the apartments already have been leased, except for 34 reserved for people with special needs. More than 30 people are **on** a waiting list.

Developer Campbell-Hogue & Associates Inc. began working **on** the \$20 million project at East Sixth and Robert T. Martinez Jr. streets more than five years ago.

The company already had built two suburban affordable housing projects when its principals decided a similar development was needed close to downtown, where many service and retail industry employees worked but couldn't afford to live, Campbell-Hogue President Terry Campbell said.

Campbell-Hogue and the city jointly applied for and received \$11 million in tax credits for the project from the Texas Department of Housing and Community Affairs. The city contributed \$500,000 to assist in the purchase the 6-acre site through a nonprofit subsidiary, the Austin Housing Finance Corp.

The nonprofit organization continues to own the land, exempting the **Villas on Sixth** from property taxes.

Campbell-Hogue is now working **on** an affordable housing project at the northwest corner of Riverside and Montopolis drives.

Most apartments are taken at the **Villas on Sixth** at East **Sixth** and Robert T. Martinez Jr. streets. The complex, which reserves most units for those who make 50 percent or less of the area's median family income, 'secures lower-cost housing for the community at a time when market pressures are increasing costs dramatically,' said Paul Hilgers, director of Neighborhood Housing and Community Development for the City of Austin.