

Condo boom continues on South Congress

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A local condominium developer will break ground in coming weeks on a 6-acre mixed-use project that will further expand the boundaries of chic on South Congress Avenue.

Set to go up at 6000 S. Congress Ave. between Stassney Lane and William Cannon Drive, Village on Congress will include 70 town homes along with 6,000 square feet of retail and 11,000 square feet of office condos. Forty-three residential "flats" will top the commercial space for a total of 113 living units.

Flats in the Village will range from 600 square feet to 1,000 square feet, with town homes starting at 1,100 square feet on up to 1,800 square feet. Prices will be about \$185 per square foot -- much less than other for-sale projects in South Austin closer to downtown that average around \$281 a square foot. The project has an anticipated value at completion of about \$30 million.

Richard Coons, the developer behind other South Austin condo projects such as Spaces 2525 and Cardinal, is heading up the new endeavor in an area ripe for large-scale redevelopment. Several projects are already in the works on the stretch of South Congress below Ben White Boulevard, where used-car dealerships and pawnshops are likely to transition into sidewalk retail and lofts in coming years.

Coons says the office condos will be between 800 square feet and 1,200 square feet in size -- ideal for small administrative offices or for artists or others in creative industries who want to work where they live. A large outdoor common area will help make the retail space attractive for neighborhood-oriented uses like a coffee shop, café or small grocer. The tract has about 750 linear feet along the western side of Congress.

Alderman/Paccone Architects is designing the project. Coons' development company is handling construction. Urbanspace is marketing the units and commercial space.

"The whole notion of the project was a village, with all of these various elements coming together to create a destination for people," Coons says.

Most of the 83 units at the Bel Air Lofts project just south of Ben White are sold or spoken for, and another local developer eager to tap into the demand has plans for 140 lofts at the former St. Elmo-Tel site nearby.

"We want to be one of the early players in this area," Coons says. "Stassney and Congress has not exactly been glamorous, but it's inevitable that that whole stretch is going to end up being a very vibrant, mixed-use corridor."

Following a series of neighborhood plans, in 2005 the city of Austin amended zoning on property along South Congress between Ben White Blvd. and William Cannon to include the mixed-use designation.

"By adding the MU [mixed-use designation] we could provide as much flexibility as possible for property owners to increase density along the street," says Jerry Rusthoven, manager of current planning for the city of Austin's Neighborhood Planning and Zoning Department.

"At some point, when [SoCo Lofts and other projects along the corridor] are successful, the land values will go up and the used-car lots and pawnshops will sell out," Coons says. "Then what you see around Guero's in SoCo -- that will be all of South Congress."

Cassie Gibson, managing director of market research at Residential Strategies Inc. who studies the Austin market, says the developer is positioning Village on Congress correctly by offering a lower price point.

"Buyers are going to have to see some added value for moving to an area that's transitioning," she says. "Buyers are ultimately going to be concerned about what their resale value is going to be down the line."

Gibson says land costs are part of what's pushing developers to "test the boundaries" for large-scale, mixed use projects.

Courtesy of JB Goodwin