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Gables unveils plan for downtown tower

High-rise apartments to replace bars

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A high-rise apartment tower is being planned for downtown's Warehouse District in an area teeming with new residential activity.

Gables Residential plans to build a roughly 200-foot tower with about 220 units and 15,000 square feet of retail and commercial space at Fourth and Guadalupe streets. Gables bought the nearly half-acre site of former Fox & Hound Smokehouse and Tavern, east of Republic Square Park, from a group of local investors last year. The 15-year-old Gingerman Pub, also on the site, will move, general manager Kristin Jacobson says.

The pub's original facade will be preserved as a historical feature of the new building, says Jennifer Wiebrand, spokeswoman for Gables Residential. The project will be able to support up to 70,000 square feet of parking.

Construction is expected to begin in late 2009 and be completed in 18 to 24 months.

Gables is building another mixed-use tower nearby at North Lamar Avenue and Sandra Muraida Way. Residents will start moving in during the third quarter of 2009. The 195-foot-tall Gables Park Plaza will have 314 apartments and 100 condos, 40,000 square feet of retail and 20,000 square feet of office space. Another four-story, 239-unit Gables project is at Third and West avenues.

Site plans for the new project have been submitted to the city, but there may be slight variations given market conditions for hard costs and rental rates, Wiebrand says. The company also wants to see how new projects in the local market do before it finalizes its plans in about 90 days. Changes in prices of raw materials from China may impact overall plans.

The project's location in the popular Warehouse District makes it ideal for pedestrian-friendly uses, Wiebrand says.

"Because the Warehouse District is such a destination, we want to find ways to maximize the restaurant and retail base of the building," she says. "That may involve opening the base of the building to the public, so that people can dine there and overlook [Republic Square Park]. We want to keep a vibrant ground floor with human scale."

The area around Republic Square Park, which is being redeveloped by Texas-based landscape architectural firm TBG Partners, is transforming quickly. A new federal courthouse is planned for the former Intel Corp. shell site to the west of the park. To the north, Novare Group and Andrews Urban are planning a roughly 40-story, mixed-use tower at the existing downtown post office site. And to the south of the park, the Austin Museum of Art plans a mixed-use project that would include 400,000 square feet of office and museum space.

The Gables project would also add to a cluster of new residential activity in the southwestern section of downtown. AMLI Residential Properties is building a 231-unit apartment high-rise with ground-floor retail that would extend the Second Street Shopping District west. Meanwhile, several nearby projects opened this year, including the Monarch and 360 Condos towers.

The latest Gables project is the only rental project that has been announced entering the downtown market in the near term. Since 2000, 1,260 apartment units have been added downtown, almost matching the 1,350 condo units added.

Since many condo projects are selling units pre-construction, it's unlikely those will be converted to rentals, says Michael Knox, the city of Austin's downtown officer.

There may be a looming apartment glut, says Robin Davis at Austin Investor Interests, a market research firm. In the last quarter, the market absorbed roughly a third of 142 new rentals. Last year, occupancy dropped 10 percent as rental rates fell about 1.2 percent to just under \$2 a square foot.

Courtesy of JB Goodwin