

Heirs of 'Peanuts' creator to sell prime commercial parcel near downtown

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For the first time in 40 years, the family trust of late "Peanuts" comic strip creator Charles Schulz is marketing a prime parcel just south of downtown that's now home to a Hooters restaurant and a parking lot.

A half-dozen local and out-of-town developers and investors have submitted offers to buy or lease the property, said Harry Whittington, the Austin attorney for the California-based Schulz family trust. The developers are considering building residential, office, retail or hotel projects on the space, Whittington said.

The 1.4-acre triangular tract is bounded by Barton Springs Road, South First Street and West Riverside Drive. Schulz, who died in 2000, bought the land — roughly the size of a city block — when it housed a Pelican's Wharf restaurant.

That purchase was among a series of restaurant and land acquisitions Schulz made as he bought real estate around the country to diversify his investments.

The purchases included a former Captain Boomer's restaurant at 12602 Research Boulevard in Northwest Austin that became a Kerbey Lane Cafe and more recently, an Antonio's restaurant that has shuttered. That property also is for sale, Whittington said.

In 2004, the Schulz heirs considered unsolicited proposals for the downtown-area property, which developers have long coveted. A sale never materialized.

But in the past six months or so, there has been heightened interest in the site, Whittington said, leading the family to officially market it.

"There's so much enthusiasm for it," Whittington said. Developers are particularly interested in downtown sites for new residential and office projects, he said.

With a tight supply of apartments and growing demand, Austin's multifamily market is the strongest sector of the local real estate market.

An advertisement for the property appeared in Wednesday's Wall Street Journal and will be published again in today's editions, Whittington said. The ad said the site presents "immediate opportunities for residential/office development, iconic corporate headquarters or sound long-term investment in one of the nation's fastest growing cities and states."

It said the site offers "full and protected views of the state Capitol, downtown skyline and western hills," and the ad highlights its proximity to Lady Bird Lake, the hike-and-bike-trail, the arts district and other attractions.

Whittington said there is no deadline for submitting offers. He declined to say who has submitted proposals or how much they have offered. He said there is no minimum asking price.

Dudley Simmons, managing director of the apartment development group for Cypress Real Estate Advisors, said Friday that the Austin-based investment and development firm has submitted a proposal.

Cypress, which is on an apartment-development spree in Austin, is interested in the site for a potential apartment project with ground-floor retail, Simmons said. He declined to disclose Cypress' offer price and said he was not aware who else has submitted offers.

The land and 4,500-square-foot restaurant building on the site have an assessed value of \$1.6 million, according to the Travis Central Appraisal District.

Dani Tristan, a real estate agent with McAllister & Associates, an Austin-based brokerage firm, said he thinks the land is worth about \$3 million.

"Anything above that price would depend on a change in zoning and height restrictions," Tristan said. He noted that the property's triangular shape "causes a lot of inefficiencies, making denser development a reasonable request. Other challenges the property has is that it's in the flood plain," which could make the site more costly to develop.

Whittington said only a small portion on the west side is in the 100-year flood plain; the balance is in the 500-year flood plain. "None of the developers seem concerned about the flood plain," Whittington said.

Whittington said that the site is zoned for commercial, residential or hospitality uses and that height is capped at 60 feet.

Whittington represented Schulz in the Austin purchases decades ago and in other Schulz real estate matters in Texas.



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