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Amid pricey rents, new apartments should offer relief

Construction of 250 units begins this week another complex in works

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Families who have had trouble finding an apartment they can afford in Austin's heated housing market soon should have more options.

On Wednesday, groundbreaking is set for the 250-unit **Fort Branch** at Truman's Landing at 5800 Techni Center Drive, one of two apartment complexes planned for East Austin. Construction of Grove Place, which will have 184 apartments at Riverside Drive and Grove Boulevard in the Montopolis area, is tentatively scheduled for June.

The complexes will join about a dozen others built in the past five years in the Austin area with rents that start at about \$550, said David Saling, project manager with Campbell-Hogue & Associates Inc., the Bellevue, Wash., real estate development company building **Fort Branch**.

"It's difficult to pull one of these off, and we feel fortunate to be able to pull it off," Saling said. "I would expect to see more in the future and would hope to see more." Despite the addition of more than 26,000 new multifamily units in the Austin area in the 1990s, vacancy rates remain low, and average apartment prices have jumped 82 percent since 1990, to \$716 a month.

Developers and local housing officials said the two new projects should help ease the crunch.

"As the price of housing goes up here in Austin, it's very difficult for the average homeowner to afford housing," said Roger Arriaga, assistant director of the Austin Housing Finance Corp. "This project will provide more affordable units in areas where they are most needed."

Both projects, the \$21 million **Fort Branch** and the \$13.6 million Grove Place, were financed by a combination of tax-exempt bonds, low-income tax credits and local, state and federal grants.

To qualify for the grants, the projects must offer apartments at rents affordable for people earning less than the Austin area's median income of \$58,900 for a family of four, according to the U.S. Department of Housing and Urban Development. For a family of four, **Fort Branch** will require an annual income of about \$35,340; for a single person, it would be \$24,700 a year; and for a family of seven, it would be \$43,822 annually. The first apartments at **Fort Branch**, where a three-bedroom unit will rent for \$829, are expected to be ready by September.

The project, which should be completed in spring 2002, includes a 3,000-square-foot youth center directed by the YMCA of Austin.

Saling, whose company has about 30 affordable housing communities in four states, including the Country Club Creek Apartments in Austin on Riverside Drive just east of Pleasant Valley, credited the Truman Heights Neighborhood Association and state and local officials and agencies for collaborating on the project.

Financing came from the Travis County Housing Finance Corp., which issued about \$13 million in tax-exempt bonds, and the Texas Department of Housing and Community Affairs. The Austin Housing Finance Corp. -- the local agency that helps the city finance affordable housing -- is providing a below-market interest loan of \$500,000.