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East Austin opportunity zone apartment project brings new investor to town

Developers pledge \$250K to help neighbors pay rising property taxes

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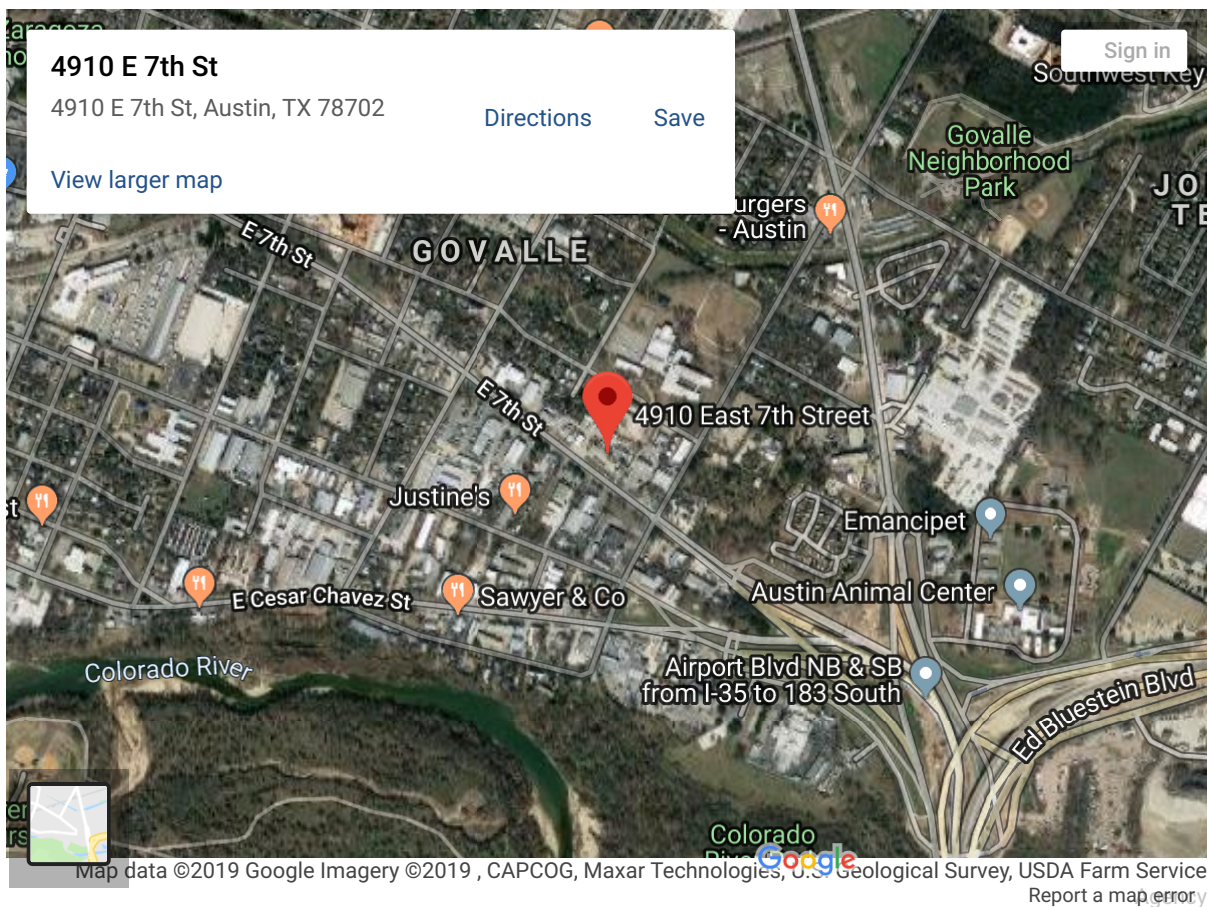
Oden Hughes LLC has broken ground on a 279-apartment complex in East Austin, backed partly by a new investor on the Austin real estate scene.

Lenox 7th is set to open in early 2021 at 4910 E. Seventh St., in one of the 21 opportunity zones in Travis County. One of the investors is Blueprint Local, which was formed in early 2019 by [Ross Baird](#), the founder of venture capital firm Village Capital, and [Brown Advisory LLC](#), an investment management firm that [recently leased space at Indeed Tower in downtown Austin](#).



ODEN HUGHES

A rendering of Oden Hughes' forthcoming 279-apartment community, Lenox 7th.



Baird announced the formation of Blueprint Local in a [January Medium post](#). It will target community impact investments nationwide with a focus on opportunity zones, which [offer tax savings](#) in exchange for investing in low-income census tracts.

Lenox 7th marks the first Austin project for Blueprint Local, said [Alex Smith](#), Brown Advisory partner and senior advisor — though it is eyeing [Austin's opportunity zones](#) for future investments. Other projects planned in opportunity zones in Austin include a 62,000-square-foot creative office building at 1141 Shady Lane and a [mixed-use project at 6400 E. Riverside Dr.](#) called UrbanEast.

Blueprint Local has also worked with Admiral Capital Group, the San Antonio-based investment group led by NBA legend [David Robinson](#). Baird — who works in Washington, D.C. — elaborated on [Blueprint Local's plans in Central and South Texas](#) in a February interview with San Antonio Business Journal.

The goal for Blueprint is to help local investors build projects in their communities, Smith said.

The Lenox 7th community includes 28 income-restricted units. To qualify for the income-restricted units, households will need to make no more than 80% of the area's median family income. Rent prices for those units will be set by the city of Austin's Neighborhood Housing and Community Development Office.

"It certainly was one component of the investment that was attractive," Smith said of having low-income units comprise 10% of Lenox 7th. "We really think it's important for a vibrant community to have quality housing units available."

The development team has also pledged to contribute \$250,000 to the East Austin Conservancy nonprofit, which preserves housing affordability in that gentrifying part of town. Oden Hughes Vice President of Development Ben Browder said the donation was the result of an agreement with the Govalle-Johnston Terrace neighborhood.

"The intent there is that they help people who have been in the neighborhood a while to stay in the neighborhood," Browder said.

The donation is expected to help local families cope with property tax payments, said East Austin Conservancy Board Chairman Raul Alvarez.

"This project represents a great example of effective cooperation between the development team and the community," Alvarez said in a statement. "The developers sought out and gained neighborhood support. This led to an agreement on density and affordability that includes the largest donation ever made to the Conservancy's Eastside tax payment assistance program."

The Lenox 7th development includes two swimming pools, a fourth-floor skyline terrace and a coworking studio for residents. The apartments will range from 528-square-foot one-bedroom units to 1,157-square-foot two-bedroom units. Market rents will range from \$1,560 to \$2,500 per month. Browder said Oden Hughes targeted East Austin for the development because it's "one of the most popular neighborhoods in Austin, especially for young professionals."

The architect on the development is Davies Collaborative. Big Red Dog is the civil engineer, CPH Engineering is the structural engineer and MEP Delta Design is the engineer for mechanical, electrical and plumbing. Blu Fish Collaborative is the landscape architect and PPDS is the interior designer.

Oden Hughes is the largest multifamily development firm in the Austin area, according to the latest Austin Business Journal data. The development firm has worked on recent projects in South Austin, near The Domain and just west of downtown Austin. On the east side of the city, Oden Hughes developed the Lenox Boardwalk apartments in East Riverside and had begun work on the 342-unit Cactus Rose Apartments in East Austin before Starwood Capital Group acquired the opportunity zone development in June.

And Oden Hughes may not be done investing in East Austin after Lenox 7th.

"We're certainly keeping our eyes peeled for this submarket," Browder said. "If we can find another deal, we'd do it. We're always looking."

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