

Urban urges

The burbs no longer beckon residents who want to end commutes and be close to it all.

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'Urban Re-Renewal: Downtowns making a comeback as places to call home.'

"Downtown Living All the Rage."

"Crazy for condos: Downtown Scottsdale joins nation's upscale urban living boom."

Headlines in cities across the country document the continued popularity of downtown living, a trend that re-emerged in the 1990s locally and nationally. In this sense, Austin isn't so weird after all.

Like Boston, Detroit, Denver and many other cities, Austin has its share of singles and young professionals, executives, empty nesters, retirees and, increasingly, young families headed to where the action is: downtown.

They're being drawn by the dining, music, nightlife and recreational and cultural amenities, from galleries and performing arts venues to Lady Bird Lake.

They are a diverse group, of all ages and occupations.

"Time is the most important commodity that people have in their lives, and living downtown means people spending less time stuck in traffic and more time enjoying life," says Larry Warsaw, a co-developer of four condominium projects in East Austin and the 42-story Spring tower under construction downtown. "I see it being a trend that will continue for several decades."

Warsaw echoes the views of other experts, including John McIlwain, senior fellow resident for housing with the Urban Land Institute who himself moved from the suburbs of Washington, D.C., to live in that city's downtown.

"There are and always will be those who want a house with a yard in the suburbs," McIlwain says, "but more and more are opting to move to the revived cities. Decades of major investments in cities by the federal government along with mayors focusing on the basics have made cities safe and vibrant places to live."

In Austin, Mayor Will Wynn is helping to lead the charge. He and other city leaders are pushing for more housing downtown not only as a partial antidote to sprawl, but also as a way to increase the city's tax base. Wynn's goal is to have 25,000 people living downtown by 2015, up from about 5,800 now.

There's no shortage of developers answering the call. **More than 800 condominium units will open downtown this year**, with many more planned to the east and south.

Warshaw says the limiting factor for downtown development is not going to be the demand, but the supply.

"We will quickly realize that there are not an endless number of developable sites," he says.

Still, some observers believe downtown could end up with a glut of condos in the short term, especially given the credit crunch that has made it more difficult to obtain mortgages.

"I think demand is going to be strong for the units under construction now," says Brian Kelsey, economic development director for the Capital Area Council of Governments, a regional planning agency for the 10-county area that includes Austin. "But with the way the market is now, I wouldn't place any bets on planned development."

Plenty of developers see a long-term trend in local urban living, and it doesn't hurt that last month Forbes magazine ranked Austin as having the fastest-growing economy among the nation's 100 largest metro areas.

"As more people move downtown, the mushrooming rooftops will attract more retail, restaurants and amenities, and those in turn attract more people," Warshaw says. "This creates a feedback loop that will drive interest for many years, particularly when the city continues to invest in cultural and recreational amenities like Town Lake Park, a new central library and the new performing arts center."

With Austin noted for being a growing mecca for the so-called creative class, "the more options people have in terms of housing, the more successful you're going to be in attracting and retaining" top creative talent, Kelsey says. "It's a main component of what Austin's trying to do."

Kelsey cites Google Inc.'s recent choice of a downtown location as a side benefit of Austin's growing urbanity.

Some urban dwellers, however, concede that condo life has its downsides: construction noise and delays, and the din from traffic and nightclubs.

"You have the Austin nightlife, but also the noise," says Kevin Johns, 45, a vice president with TruWest Credit Union who will move in April into his new unit in the Shore condominiums overlooking Lady Bird Lake.

Parking can be a hassle, and downtown lacks a traditional grocery store and certain other services and shopping options, some residents say. And McIlwain says that, in general, downtown-area schools around the nation are not as good as suburban schools, although fewer than 30 percent of downtown households have school-aged children (it was 55 percent in the 1950s, he says).

Then there's always this big unknown: the risk that a unit's uninterrupted views will vanish as new condo and apartment towers get built.

But current and future urban pioneers overwhelmingly say the upside of living in or near downtown outweighs any drawbacks. Here's what they say about the call of an urban address.

Heading east for value

Shaun Jordan is sold on East Austin. He likes the restaurants, bars and "friendly people," including a neighbor he knows only as "Uncle Joe," who he says is the biggest Longhorn fan on the east side.

"He throws great parties, and I've attended a few," says Jordan, 40, a former national University of Texas swimming champ and Olympic swim team member who is director of business development for Abraham Trading Co., a hedge fund/money management firm.

He and his girlfriend, Jill Addison, formerly lived in the Saltillo Lofts in East Austin. Now with a newborn, Jackson Eric Jordan Addison, they are awaiting completion of their new, larger home in Este, the fourth East Austin condo project for local developers Warshaw and Perry Lorenz.

For Jordan, East Austin's diversity is a big appeal.

"I love bumping into all sorts of people who are all sorts of colors and do all sorts of interesting things," he says. "I like the 'freaky' component, like cars covered with (green plastic) Army men." He frequently skateboards in Saltillo Plaza, and rides his bike "all over the place." In choosing to live east, Jordan and others are finding alternatives to downtown that are more moderately priced.

The price for each square foot of condo space east of Interstate 35 is about 40 percent to 50 percent lower than that in downtown condos, real estate agents say.

"A typical two-bedroom condo in East Austin will sell for about \$220,000, and a typical two-bedroom condo west of (Interstate) 35 will sell for about \$450,000 to \$500,000, depending on the specific development," Warshaw says.

South Austin is on the rise

Charles Zug, a single, fortysomething Internet marketing executive, sums up urban living like this: "Great meals, cold drinks, live music and cultural events.

"Everything I enjoy doing in Austin happens downtown," Zug says of the places he seeks out, such as **South Congress Avenue**, Restaurant Row, Sixth Street and the Warehouse District.

Zug is buying a unit in Barton Place, a condo project to be built behind Austin Java on Barton Springs Road, and currently lives near MoPac Boulevard and Barton Skyway.

Zug says he thinks the demand for an urban lifestyle "is a backlash against strip malls ... gated neighborhoods that lack diversity and the unavoidable need to spend multiple hours each day in an automobile."

Which brings him to the main factor that drove his decision to buy downtown: "I want to ditch my automobile and rely on foot or pedal power whenever humanly possible.

"Living downtown and relying on my own two legs for transportation means more natural exercise, less detrimental personal impact on the environment and relief from the traffic quagmire that Austin has become recently."

Courtesy of JB Goodwin