

Statesman

279-unit apartment project planned for Austin's E. Seventh Street

By Shonda Novak

Posted at 10:24 AM

An Austin-based developer has broken ground on an apartment complex that will bring almost 300 apartments to East Seventh Street.

Oden Hughes is building Lenox 7th at 4910 E. Seventh St. The complex will have 279 units and is scheduled to open in early 2021.

The project comes as Austin's apartment market is booming and seeing low vacancy rates and record rental rates.

The new complex will be in East Austin, where in many areas new luxury developments are supplanting older housing units, sparking concerns among some residents and activists about gentrification and affordability.

Oden Hughes officials say the Lenox 7th will include 28 units for income-qualified tenants.

"This project will transform a commercial lot into hundreds of homes, provide high-quality affordable living opportunities long-term, and help a worthy local nonprofit serve more people in the neighborhood," Ben Browder, vice president of development for Oden Hughes, said in a written statement.

OH Gonzales LP — a limited partnership affiliated with Oden Hughes — will contribute \$250,000 to the East Austin Conservancy. The conservancy is a nonprofit that works to preserve affordability and economic diversity in East Austin, which historically has been home to large concentrations of the city's minority populations.

"This project represents a great example of effective cooperation between the development team and the community," Raul Alvarez, East Austin Conservancy board chairman, said in a written 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.”

Alvarez said Oden Hughes' donation will enable the East Austin Conservancy to assist at least 35 families a year with property tax payments, up from 12 families currently receiving assistance.

At Lenox 7th, the 28 income-qualified units will be reserved for families making no more than 80% of the area's median family income — or no more than \$60,400 for a two-person household under current guidelines. The units will rent for below-market rates that will be set and adjusted each year by the city of Austin's Neighborhood Housing and Community Development Office.

The market rate units are expected to rent for between \$1,560 and \$2,500 a month. One- and two-bedroom units will range from 528 square feet to 1,157 square feet.

Amenities will include two resort-style pools, a fourth-floor skyline terrace and a co-working studio. Oden Hughes Construction will be the general contractor.

Lenox 7th is in a designated Opportunity Zone, making the project eligible for federal tax incentives under the Tax Cuts and Jobs Act of 2017.

Blueprint Local is an investor in the project. Blueprint Local is a national platform that helps communities connect with capital by bringing together investors, landowners, developers and community members to collaborate in revitalizing neighborhoods.

East Austin is undergoing dramatic change amid a surge of ongoing residential and commercial development, from new luxury housing — both for-rent and for-sale — to new office development, such as the expansion of Oracle Corp.'s campus off South Lakeshore Boulevard.

One of the largest mixed-use projects is planned in the area of East Riverside Drive and Wickersham Lane. Called 4700 East Riverside, the development proposes to bring housing, retail, restaurants, offices and a hotel to 97 acres, ultimately replacing five older student housing apartment complexes. The new

development, to be built in phases over 10 to 20 years, could have up to 4,700 housing units, several million square feet of office space and hundreds of hotel rooms.

The developers are proposing 400 to 565 long-term affordable housing units over time, as well as 14 acres of public parkland, depending on the building height the Austin City Council approves. The Council recently gave the proposal preliminary approval. . The Planning Commission recommended approval of the developers' requested zoning change in June.

The project has drawn opposition from some neighborhood groups.