

Developer/Sponsor

Austin Revitalization Authority

Project Type

Retail, Mixed-Use Commercial

Square Footage

53,638 square feet

Investment

\$7.8 million



Description

These buildings on East 11th Street in downtown Austin, Texas were recently renovated as part of a larger plan, the East 11th and East 12th Streets Community Redevelopment Plan, which was first implemented in late 1999 by the Austin Revitalization Authority. Since that time, over \$23 million in public and private funding has been invested in upgrading the infrastructure, beautifying the streetscape and improving the curb appeal along East 11th Street, and the streets immediately adjacent to it. New businesses have already been started and others have expanded or relocated to the corridor. Similarly, new houses are being built and existing homes are being renovated.

Investment Type

Enterprise's investment consists of a \$5.6 million bridge loan and a \$2.2 million subordinate loan that enabled the developer to refinance existing debt and fund additional improvements. By enhancing the transaction with New Markets Tax Credits (NMTC), Enterprise demonstrates how the NMTC program can help stabilize and improve low-income communities and support neighborhood revitalization.

Market

This neighborhood is located in the general area known as East Austin. The majority of the subject neighborhood is developed with older single-family residences (30 to 50 years of age), office buildings and retail support facilities. This neighborhood is approximately 95 percent built up. A substantial amount of commercial development exists within the boundaries of the neighborhood, including grocery stores, clothing stores, automotive sales and service facilities, several neighborhood retail centers, apartment housing, office buildings and industrial facilities. Overall, land uses are predominantly older commercial structures along East 11th, with supporting older single-family homes located on the secondary roadways. This area has been the focus of recent revitalization efforts with several non-inhabitable commercial buildings either having undergone or having been scheduled for complete renovation.

Community Impact

One of the Austin Revitalization Authority's top priorities is to attract minority-owned and other small businesses to this project, as well as others who have a commitment to Central East Austin. Since the implementation of the Community Redevelopment Plan began, new jobs have been brought to or created on East 11th Street.

Developer

The Austin Revitalization Authority (ARA) is a private, nonprofit community development corporation formed in 1995 to build offices, shops and townhomes on and around East 11th and 12th Streets in Austin. The subject property is the group's first new construction project. Through the ARA, the community developed the Central East Austin Master Plan and the East 11th and 12th Streets Community Redevelopment Plan that guides development of the area bounded by I-35, Airport Blvd., East 7th Street and Martin Luther King, Jr. Blvd. ARA's mission is to develop commercial and residential projects in partnerships with other community development organizations, and help investors with their projects as they navigate the complex course of redevelopment.

Investor

JPMorgan Chase Bank, N.A. is a leading global financial services firm with assets of \$1.2 trillion and operations in more than 50 countries. Under the JPMorgan and Chase brands, the firm serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients. JPMorgan Chase is dedicated to working with community organizations to finance the acquisition and construction of commercial facilities and other projects that contribute to the revitalization of America's communities.

Enterprise is a leading provider of the development capital and expertise it takes to create decent, affordable homes and rebuild communities. Enterprise leverages low-income housing, new markets and historic rehabilitation tax credits; short and long-term debt; and development services to capitalize projects that make a catalytic difference in communities. For over 25 years, Enterprise has privately raised over \$9 billion to finance more than 240,000 affordable rental and for-sale homes, create vital communities and help transform the lives of low-income Americans, particularly those at the lowest end of the economic scale. Currently, Enterprise is investing in communities at a rate of \$1 billion a year. Visit www.enterprisecommunity.com or www.enterprisecommunity.org to learn more about Enterprise's efforts to build communities and opportunity.