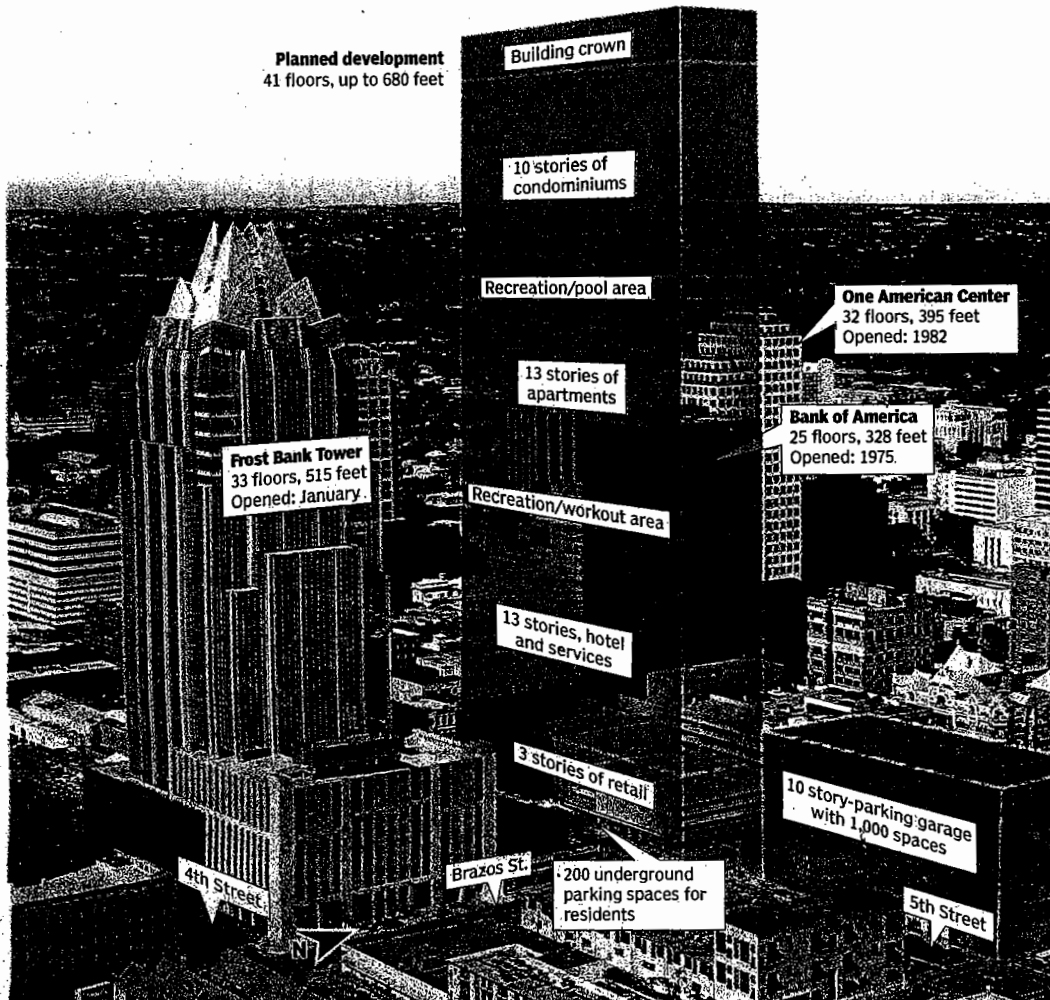


# In downtown, a tower like no other

Project packs living spaces, hotel, shops into high-rise at 5th and Congress



Source: T. Stacy, & Associates

Photo by Jay Janner, Graphic by Robert Calzada AMERICAN-STATESMAN

Austin developer Tom Stacy envisions a towering high-rise at Fifth Street and Congress Avenue, a project that beats in sync with the heart of the city. Although its shape and appearance have not been determined, it's certain to loom over downtown.

## By Shonda Novak

AMERICAN-STATESMAN STAFF

A 41-story tower, with stores, a hotel, apartments and condominiums, is set to rise on Congress Avenue, dramatically changing Austin's skyline and advancing the city's goals for a vibrant, 24-hour downtown where people can live and shop as well as work.

Tom Stacy, a longtime Austin developer, is behind the project, which will be the city's tallest building and the most ambitious downtown mixed-use project. The 700,000-square-foot building would cost at least \$140 million, people advising Stacy said.

The building will include three levels of stores, a 10-story luxury hotel with a large terrace level overlooking downtown, and as many as 350 residential units, including penthouse condominiums more than 600 feet above street level.

Stacy recently purchased the Bank of America buildings on Congress Avenue between Fifth and Sixth streets. He plans to build the tower just south of the 26-story bank office tower.

He'll tear down the three-story annex for the project, which will extend along Fifth Street from Congress to Brazos Street with a 1,000-space parking garage between Brazos and San Jacinto Boulevard.

"This site, at the corner of what we call 'Main



Larry Koivord AMERICAN-STATESMAN

'This site, at the corner of what we call "Main and Main," is at the bull's-eye of Austin's downtown,' Stacy said, the Bank of America tower behind him.

and Main,' is at the bull's-eye of Austin's downtown," Stacy said. "Our dream is to build a project that is not only architecturally exciting but also a real catalyst for a world-class downtown."

Stacy said he hopes to attract a top architect to design a signature building that will make a statement but also honor downtown's character and Capitol views, with setbacks and other

## Grand plans for downtown

- 100,000 square feet of retail space would allow for a department store or other large anchor, as well as smaller shops.
- Luxury hotel would have as many as 250 rooms.
- Rents for some apartments would be within budget for average-income downtown workers.
- Parking garage on Brazos Street would be as big as the one for the Austin Convention Center.

# TOWER: Project would be Austin's tallest structure

Continued from A1

features to keep it from being a big, bland rectangle.

Construction could start in early to mid-2006 with a projected opening in late 2008.

Stacy and his financial partner, Chicago-based Walton Street Capital, purchased the two bank buildings last week from Hines Interests, a Houston-based firm that shelved its own plans to add a second tower three years ago when the economy faltered.

Stacy wouldn't say what he paid for the buildings, which are appraised on the tax rolls for \$25 million.

He said he's already briefed top city officials about the project, which he says is Austin's best chance for spurring a retail revitalization downtown.

Although there has been a surge of apartment and condominium building in the past three years, it's been harder to attract retailers to serve the growing number of residents and the 80,000 people who work downtown. City plans for a retail district along Second Street have focused on attracting smaller stores and restaurants.

Stacy said his project would allow for a large retail tenant, possibly a movie theater, and mesh with the city's goals for more dense development.

Prices for the 100 condominiums are expected to range from

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**Tom Stacy**  
Austin developer

1,000-square-foot unit. Rents for the 200 to 250 apartments would be at market rates, which average \$1,600 a month at new downtown complexes. But Stacy said he hopes to make some units affordable to moderate-income downtown workers.

Stacy said there might be ways for the city to participate in the project, possibly through sales or property tax rebates, though he did not say whether he intends to seek incentives.

Mayor Will Wynn was out of town and not available for comment.

Richard Suttle, Stacy's lawyer, said the project would not require any major zoning changes.

Stacy has been involved with

high-profile projects, including the renovations of the Scarborough Building and the Stephen F. Austin Hotel, though he no longer owns either building. He also was part of the group that owned the land and obtained the initial approvals to build the Frost Bank Tower, just south of his new project.

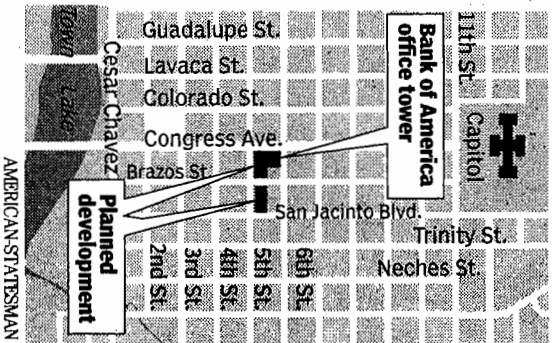
The Frost Bank Tower, which opened in January, was the first new Congress Avenue skyscraper in almost 20 years.

Stacy said he has started talking to hotel operators about joining the project. He said he hopes to attract a large retailer such as a department or home furnishings store or a mix of retailers to the site.

"We're looking for the type of shopping that draws people downtown like a magnet — a store or stores that reflect Austin's personality and quality of life," Stacy said.

Charles Heimsath, a real estate consultant on the project, said it could provide the retail link that the city's retail consultant says is missing downtown: a major anchor. Scarboroughs, the last large downtown store, closed in 1983; the smaller Yaring's department store closed in 1998.

Landing such a tenant "is going to be an integral part in the downtown retail revitalization, and this location will allow for a large anchor tenant," he said. "The city planners and



about creating a true mixed-use, 24-hour living environment in downtown Austin, and this is probably one of the most exciting additions to downtown for creating that environment that we could think of," Heimsath said.

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