

Walking the walk

by MATT HUDGINS
Austin Business Journal Staff

Downtown revitalization is a concept that's easier to talk up and support than it is to pay for. That's part of what makes real estate developer Tom Stacy unique.

Tom Stacy is a man who backs his words with deeds. Like many others in Austin, Stacy talks about downtown revitalization. But he and his partners actually put millions of dollars into purchasing the Stephen F. Austin Hotel, even though the refurbishing and reopening of the once-grand building is likely to be a loss leader for years.

Stacy, president of T. Stacy and Associates and Omni Commercial Realty Advisors Inc., gives action to his beliefs on a smaller scale as well.

Friends recall a time when Stacy provided home improvements for a family that was financially unable to repair its home.

"It came to Tom's attention that that family, who have several children, were living on dirt floors," says Neal T. "Buddy" Jones, a lobbyist who teaches a young couples Sunday school class with Stacy at Hyde Park Baptist Church.

"Tom was so moved by what he heard that, on his own, he put together an effort to buy them something that they didn't have — a clothes washer and a dryer, a new stove, some flooring on their house — so that their lives could be made more tolerable," Jones says. "He got no credit for that. No one would have ever known if I hadn't happened on it by accident. That's just the type of man he is."

Tom Stacy is also a busy man.

Often, as the setting sun glints through the glass of Stacy's 11th-floor office, he finally sits down to tackle the day's paperwork.

"About the only time I get anything done is in the evenings," he says.

Most of Stacy's daytime hours keep him out of the office. He is chairman of the Downtown Austin Alliance and is an executive board member of the Greater Austin Chamber of Commerce. He also chairs the Texas Association of Realtors' political action committee.

That leaves the work of managing buildings and contacting investors to the hours when others have gone home. That is also the time when others know he can be reached, as evidenced by a steady stream of incoming phone calls.

"It takes so much time," he says after hanging up with a Dallas investor. "I'm usually down here until 8 or 8:30 on an average day. I'm usually here on Saturday, but try not to come in too much on Sundays."

Family man and Boy Scout

Despite the long workdays, Stacy is known as a man...

who is close to his family. His wife, Melinda, works only a few blocks away from Stacy's 823 Congress Ave. office. The two love downtown, even returning on weekends for dinner and shopping. Stacy expects they will move to a downtown apartment after their son, Christopher, graduates from Westlake High

School. Their daughter, Niccole, is a junior at Baylor University.

"A lot of the things we're trying to produce downtown are things we enjoy," he says. "It's an easy sell for us. We both love it downtown, and our kids love it down here."

Members of the Downtown Austin Alliance say Stacy is a committed and tenacious proponent of revitalization.

"[Stacy is] a good guy, trying to do good for downtown," says Mike Levy, publisher of *Texas Monthly*. The magazine has its offices in Austin Centre, one of the buildings managed by T. Stacy and Associates.

"He really is a Boy Scout about downtown — I have to give him high marks," Levy says. "Austin needs some more business folks like him, who appreciate that their economic future is linked to the success of the community as a whole."

Stacy has a feel for downtown development that brought him out of the real estate slump of the 1980s to become a major player in downtown revitalization.

"I have seen very few people have the kind of glimpse into the future, with global ideas, that Tom has," Jones says.

Stacy does have strong hopes for downtown, picturing a future of residential development and round-the-clock activity. He believes the way to reach that goal, or any goal, is through perseverance, and has

applied that principle to his own career.

Failure begets success

Originally from Levelland, Stacy learned about customer service in his family's furniture business. He earned a business degree from Texas Tech University in 1975, and, within two years, had purchased a resort lodge and marina on Lake LBJ.

He moved his family to Kingsland around 1980, where the family ran a small construction company and a residential real estate firm that sold waterfront lots.

Then came the real estate bust and bank failures of the mid-1980s. Stacy suffered a series of failed ventures, including an effort to establish a hotel and conference center at Lake LBJ.

"But looking back today, every one of those failures have been an integral part of the successes of today," he says.

PHOTO BY WALT STONEHAM



"You learn during those times what's important for you," he says. "What really got me through was a book by Louis Timberlake, 'It's Always Too Soon to Quit.' I believe with all of my being that until you quit, you're not through. You can always come back."

With debts that "no job in the country could pay," Stacy stuck to real estate to pull his finances out of the crash. His family moved to Austin in 1985, and Stacy began to focus on the federal Resolution Trust Corp., which had taken control of properties that had defaulted to the government. "I thought that might be my niche, that if I could learn RTC better than anybody else, I could do my business in that part of the market," he says. "We tried to learn the RTC's policies better than the RTC officers we were dealing with ... so we could show them how things could work for them."

Stacy organized partnerships to purchase RTC properties like 823 Congress, then plugged away at leasing and improvements to make the buildings more valuable.

"He seems to be in the process of buying downtown Austin," says an attorney for investors in 823 Congress.

The attorney, who asked not to be identified, says asbestos, land leases and other conditions at 823 Congress made the purchase price affordable. Occupancy at the time of purchase was about 28 percent.

"It's now close to 90 percent occupied, substantially due to the skill and staff of Tom's firm. We're very pleased," the attorney says, describing Stacy's oversight of asbestos management and building improvements.

"Tom keeps us fully informed so we participate in the decision making. I would not hesitate to do another investment with him if the investment suited my client's investment objectives, and we're looking at that now," the attorney says.

"He is already successful and he's going to be even more successful," he says. "Hard work by itself doesn't make you successful. Being smart and being hardworking is the right combination."

Stacy partners with investors in Dallas, Vancouver and the Northeastern United States on several projects, making him a co-owner as well as manager of 823 Congress, the Stephen F. Austin Hotel and Austin Centre. The latter includes office space, retail stores, restaurants and the Omni Austin Hotel.

"He did an outstanding job with taking 823 Congress, with all of its problems, and making that [profitable]," says David Bodenman, vice president of Highland Resources and Stacy's predecessor as chairman of the Downtown Austin Alliance. "He's very calm and focused on achieving results. Because he doesn't waste a lot of time on frivolous things, he manages to get the most out of his organization and out of the Alliance."

'You can get through it'

It's hard to tell Stacy's friends from his business associates. Their descriptions of him are virtually the same, painting a picture of a man committed to honesty and achievement, and skilled at bringing out those qualities in others.

"He is one of the finest Christian men I have ever known, and he cares very deeply for other people," Jones says. "He is the first one there when someone has a problem. He is moved to do the right thing in all instances."

"He's a caring person," Bodenman says. "When a person like Tom is genuine like that, that motivates others to achieve good

results."

Other Alliance board members say Stacy's concern for others is a part of his decision-making process.

Bobbie Barker, vice chair of the Alliance board, says Stacy leads by example and faithfully represents the Alliance.

"He doesn't just say things, he walks the walk," Barker says. "He's genuine about what he does."

"He'll appear before the City Council, he'll appear before the Legislature, whatever's necessary," she says. "He'll be our rep-

resentative, voicing the opinions of the Downtown Alliance, and he does it with finesse."

Barker says Stacy has "a real strong eye for what is the right thing to do when it comes to our community."

"It's a unique blend of qualities and characteristics," she says. "He is a do-it type person, and our organization is a do-it type organization."

There is a wonderful complement between his style and the style of our organization."

Stacy chalks up his success to basic prin-

cipals of service and commitment: service to others, both professionally and personally; and commitment to achieving the goals he sets for himself and his companies.

"If you keep trying and you don't give up, things will get better," he says. "That's the encouragement I would give anyone. No matter what your circumstances, you can get through it."

Stacy says weathering the financial straights of the '80s gave him confidence to take on greater challenges. He says his personal relationship with God gives him a surety of better days to come, regardless of difficulties he might encounter along the way.

"That's the ultimate hope. No matter how bad things get, I know that God loves me, my family loves me, and I can get through it," he says. "God does not give you dreams to taunt you. He gives them to you so that you can achieve them, as long as you don't give up."

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Mike Levy, Publisher
Texas Monthly

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