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Retail center planned near Lake Travis

Up to \$70M may be invested to bring shops to stretch of FM 620

Austin Business Journal - by [Kate Harrington](#) ABJ Staff

A large development planned along FM 620 in North Austin could bring more than 300,000 square feet of retail and restaurants to the area.

A local development team, P&S Investments I LLC, has closed on 69 acres at the corner of FM 620 and Wilson Parke Avenue and hopes to start construction on the site by late spring next year. The Trails at 620, as the planned development is called, will include a mix of retail and restaurants, about two miles of trails and a lake feature, and possibly a hotel and movie theater. The developers, Leslie Perry Sloan and Rodney Speaks, also hope to have a specialty grocer as part of the project.

"It will have unique features and an outdoor Austin flair," Speaks said, adding that he hopes at buildout the project would have a similar feel to Central Park in Austin, which features a park and walking trails around retail and a Central Market grocery store.

Sloan and Speaks declined to say how much they paid for the land, citing confidentiality agreements, but said they have secured financing through a lender and have an equity partner from Houston. At buildout, development costs could total \$65 million to \$70 million, Sloan said, although some of that will come from tenants' purchases of sites within the project. Sites will be available for lease and for sale, she said.

Duncan Commercial LLC represented P&S Investments, and it will handle marketing for the Trails at 620. Bosse & Pharis Associates Inc. is the project's land planner and landscape designer, and Texas Engineering Solutions LLC is the engineer. Eric DeJernett with CB Richard Ellis' Austin office represented the tract's seller, Tomen-Parke Associates Ltd.

While retail development has all but ground to a halt nationwide and in Central Texas, Sloan and Speaks are optimistic about the project's success because the area remains relatively underserved, they said.

South of the Trails at 620 site, near the intersection of FM 620 and RR 2222, retailers including Home Depot and H.E. Butt Grocery Co. have established stores. Just east of the FM 620 and Wilson Parke Ave. intersection, Wal-Mart also has a store. But Sloan and Speaks, who live in the area, said there's still a demand for more retail — especially if it's food-related.

"The first thing people who live out there say they want is grocery and restaurants," Sloan said.

Joe Duncan, president of Duncan Commercial, said the nearby HEB off of RR 2222 has recently expanded and "is always packed," a good indication that demand exists for more grocery options in the area.

Sloan and Speaks declined to say which tenants they're talking to, but said they started receiving inquiries from interested parties before they closed on the land. Many restaurateurs told them they've been waiting for more development in the area so they can open locations there, Sloan said.

Speaks also said he hopes the project's estimated completion about two years from now will coincide with a broad economic recovery.

Patrick Shelton, an associate with Duncan Commercial, said the site is sort of a "last of the Mohicans."

"It's hard to find tracts in any area, especially this area," he said.

The previous owners, an investment group out of New York, zoned the land and buried utilities. The land also has a 10(a) permit in place, which allows development to occur on an endangered species habitat. The site is surrounded by land dedicated to the Balcones Canyonlands Conservation Program.

Andrew Scroggie, vice president of the Austin commercial retail division of The Weitzman Group, said that submarket has strong incomes and moderate population-based density, as well as a high traffic corridor along FM 620.

He said that a successful retail development in that area will have to be tenant-driven, though, and can't risk overbuilding.

"If they have a great lead tenant, they can build around that," he said. "With a strong anchor, you could develop for the neighborhood, and retailers and service operators would be part of that. ... And a site like that lends itself to that type of development."

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