

Sanctuary for students

Church near Texas State evolving into apartments

By Kate Miller Morton

AMERICAN-STATESMAN STAFF

The pews, pulpit and hymnals are giving way to futons, stereos and textbooks at the former First Baptist Church in San Marcos.

The 67-year-old landmark is being transformed from a place of worship into a place to live by Austin developers Terry Mitchell and Tekoa Partners Ltd., who plan to make the church's sanctuary the centerpiece of a 204-unit apartment complex called Sanctuary Lofts.

Construction crews have begun stripping the interior of the three-story sanctuary and classroom building, where 42 loft units will be built.

Two newer buildings on the church's 3-acre campus will be demolished to make way for two, four-story apartment buildings and a six-story parking garage. A small house just north of the church also will be removed.

"This project is not an easy construction project because it's part demolition, part rehabilitation and part new construction," said Mitchell, president of Momark Development LLC.

The redevelopment is expected to cost about \$27.5 million and be completed in mid-2006.

Mitchell first toured the church two years ago as a favor to a church member who wanted tips on selling the outdated facility that no longer was big enough for the growing congregation.

He immediately was taken with the beauty of the sanctuary, but it was the location — less than a block south of the Texas State University campus — that got him interested in buying the building.

Mitchell knew the campus was growing and demand for student housing was high. The church seemed the perfect location for student housing because it was close to campus but not part of a traditional neighborhood, where students and residents often clash.

Although it is rich in history, the

Downtown loft remodeled by Dick Clark Architecture. In the Spotlight, F5.



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Austin developers Terry Mitchell of Momark Development, center, and Bill Skeen, left, and Bill Lee of Tekoa Partners are making the sanctuary of the former First Baptist Church the centerpiece of a 204-unit apartment complex.



MOMARK DEVELOPMENT

The redevelopment less than a block south of Texas State University is expected to cost about \$27.5 million and be completed in mid-2006.

See **SANCTUARY**, F4

SANCTUARY: Location creates opportunities, challenges

Continued from F1

church was not on the historical register, making a rehabilitation project much easier.

Mitchell brought in Tekoa Partners last fall, attracted by the group's experience in unusual and complicated redevelopment projects, such as its conversion of a historic and partially condemned 300-room hotel in downtown Laredo into a 165-unit senior apartment building. The redevelopment was completed in 2000.

Tekoa Partner Bill Lee said the company seeks difficult development projects, and Sanctuary fits the bill.

"Anybody can come in here and tear this down and put in a dorm," Lee said. "To come in and put up a new community that builds on the sanctuary; we feel this is what good urban development is all about."

Lee said renovating the sanctuary won't be as difficult as it might sound. The poured-concrete building is surprising-

ly solid, he said, and the interior will be stripped to its shell.

The large multicolored stained-glass windows, which are nearly half an inch thick, will be saved and serve as the exterior walls of some of the Sanctuary's apartments. Mitchell and Tekoa also plan to reuse some of the oak paneling, pews and light fixtures. A small chapel will be preserved and serve as a meeting room.

The biggest problems will be the logistical challenges of demolishing and erecting new buildings in an area with heavy traffic surrounded by narrow streets and other buildings. "All the things that make this a great place to live make it a challenge to build," Lee said.

Adding to the project's unusual nature are six live-work units and a small amount of ground floor retail space in one of the project's new buildings facing Hutchison Street.

The developers had no problem getting it approved by the City of San Marcos.



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Developer Terry Mitchell, left, talks with builder John Butts. The stained-glass windows of the old church have been preserved.

"This project zipped through the approval process, and the city was very excited to have an opportunity to work on a project that was going to result in the

conservation of a building that was very prominently situated," said Carol Barrett, director of planning and development services for the city. "It's on

rising ground, so it's a recognizable landmark, and to have that landmark remain part of the urban fabric was something everybody was pleased about."

Members of the First Baptist Church also support the project. Church member James Yager is a broker with San Marcos Real Estate Co. and helped the church negotiate the sale. Yager said members had prepared themselves for the likelihood that the sanctuary would be demolished and are delighted that Mitchell will incorporate it into his apartment project.

"I think that gives them all kind of warm feelings because we are preserving the main structure anyway," Yager said. "The fact that you do have this architecturally significant building that's going to be maintained, I think everybody was pleased about that. I think it would have been somewhat disheartening to see that torn down. We were prepared for that."

The apartments will range in

size from 400 to 1,200 square feet. Rent rates have not been set, but Capitol Market Research president Charles Heimsath says he doesn't expect that there will be any problems filling the building with student tenants.

"For the last three or four years, San Marcos has had a stronger apartment market than Austin has in general," Heimsath said. "I attribute that to the strength of the student housing market, which is a direct result of the expansion of the student population at Texas State University. Unlike UT, Texas State does not have an enrollment cap."

The developers' main concern is finishing the project on time before the students line up for the 2006 housing accommodation.

"You can't miss the schedule on a student housing deal," said Lee, who ends every project-related e-mail with the number of days remaining until July 2006.