

Elgin could introduce big-city life with potential development

by [Kate Harrington](#) ABJ Staff

When Elgin grabbed an option to buy 80 acres inside the city limits in late 2006, city officials had a transit-oriented development in mind that would revolve around a possible extension of the Capital Metropolitan Transit Authority's planned commuter rail through the city.

Although a rail extension and TOD may still be in Elgin's future, a new study that the city's economic development corporation commissioned as part of its analysis of the land says the city will see a huge economic benefit from creating a dense, mixed-use development -- regardless of whether the rail ever weaves through the small city east of Austin.

The city's economic development corporation and council will likely make a decision in August about whether or not to exercise its option, says Jeff Coffee, Elgin's city manager. Coffee says the city will pay about \$640,000 if it buys the land.

But Coffee says a dense development that could offer a broad spectrum of services without sprawl is appealing to city leadership.

Scott Polikov, president of Gateway Planning Group, one of the groups that authored the study, says Elgin could easily build on its current assets to integrate dense growth into its city limits. And once dense growth occurs, it generates value by generating similar growth, he adds. "Adjacent predictability," which means multiple landowners being able to predict a growth trend in their region, is one way to drive property value up, Polikov says.

Under a 50-year build-out of two different scenarios, a dense and mixed-use development like the one proposed for the optioned 80 acres would yield higher property values than if traditional, sprawling development were to be built there, the report says.

The mixed-use scenario will yield a total property value and additional tax base of \$1.48 billion, with the conventional build-out totaling \$821 million -- a difference of \$665 million over a 50-year period, according to the report.

If Elgin does invest with a private developer in a mixed-use development, it could influence the way eastward-moving growth is shaped, says John Hockenyos,

managing director of Texas Perspectives Inc., another group involved in the Elgin study.

"What's happening out that way now is traditional suburban development," Hockenyos says. "Overall, that's lower density. If this works out, there will be more diversity in land use, more office use mixed in and different types of retail. What that fundamentally means for the region is that there will be more available to folks out there."

John Cowman, mayor of Leander and a Capital Metro board member, says there has been a lot of discussion about bringing a commuter rail line out to Elgin once the 32-mile Leander-to-Austin line is up and running. Elgin's interest in a mixed-use development that could encompass a potential rail stop makes the extension more appealing to Capital Metro officials, he adds.

"It's my prediction that Elgin has taken a progressive movement that has caught the eye of Cap Metro," Cowman says.

kharrington@bizjournals.com / (512) 494-2523