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The Rail at MLK Brings Affordability Mix to East Austin

Austin, Texas – The [Housing Authority City of Austin](#) (HACA) and its partners Austin-based multifamily developer [Lonestar Development Partners](#) (LDP) and [LDG Development](#) on Friday (Dec. 14) will break ground on The Rail at MLK, a 235-unit mixed-income apartment building located at 2921 E. 17th St. The Rail will offer amenities such as a fitness center, business center, conference room and courtyard pool.

“HACA’s subsidiary, the [Austin Affordable Housing Corporation](#), is extremely excited to partner with LDP and LDG on The Rail at MLK,” said HACA President and CEO Michael Gerber. “This project furthers our mission of providing much-needed affordable housing to the missing middle in a location that is rapidly gentrifying.”

LDP purchased the site in May 2016, with the goal of bringing a class-A apartment complex with an emphasis on low price points and mixed-income housing, in alignment with the Chestnut Plaza vision. The loan was secured with the help of Mason Joseph Inc., through HUD’s 221(d)(4) program.

The Rail at MLK is a five-story 117,097-square-foot mixed-use building on 1.2 acres in the last tract of the Chestnut Plaza development in the Martin Luther King Blvd. Transit Oriented Development Station Area. The housing development has five floor plans available for prospective residents: A combination of efficiencies, 1-bedroom, and 2-bedroom units.

Mixed-income housing is a unique approach to solving the housing affordability problem in Austin, creating living spaces for workforce families and individuals from all income brackets. This project provides 118 units of housing for individuals earning 30 percent, 40 percent, 50 percent, and 80 percent of the median family income alongside market-rate units.

“It took creativity and flexible partners to bring this kind of affordability to Austin,” said LDP partner Ryan Larson. “The partnership between LDG, HACA, and LDP is unique in its structure, but a model LDP believes can be successful in the equally unique Austin market.”

About HACA

Established in 1937, HACA is a public unit of government separate from the City of Austin. HACA’s mission is to cultivate sustainable affordable housing communities and partnerships that inspire self-reliance, growth and optimism. As a high-performing housing authority that assists over 20,000 Austinites, HACA owns and operates 1,839 units of subsidized housing in 18 developments throughout Austin. For more information, visit www.hacanet.org.

About Lonestar Development Partners

Lonestar Development Partners is a real estate investment firm specializing in multi-family development projects. LDP identifies and assesses opportunities, performs due diligence, engineers' financials, assembles teams, raises and contributes capital, and manages the projects.

About LDG Development

LDG Development is an award-winning multi-family housing developer that has created almost 10,000 units of affordable housing for active seniors and families who have sacrificed income for service. Headquartered in Louisville, Kentucky, LDG prides itself on providing high-quality, first-class housing for the residents and communities it serves. LDG has developments in eight states, including Texas, Kentucky, Georgia and Louisiana and in 2017 was identified as the country's top developer of affordable housing.

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