

REDNews

Going for Silver: RECA Celebrates 25th Anniversary

By Sue Durio

To say that Austin, Texas, circa 1991 looked much different than it does today is an obvious understatement to those who have been around Central Texas for a while. Dell Computer was but a fledgling company, only three years old. The Austin Convention Center was still a gleam in the eye of city leaders. Austin population had barely passed the 500,000 mark. And the still-young South by Southwest festival's attendance was in the hundreds, not the hundreds of thousands.

It was in that backdrop that a new voice representing the real estate industry in Austin came onto the scene, the Real Estate Council of Austin. A quarter of a century later, RECA has grown from 150 members its first year into a 1,800-member community of commercial real estate professionals who rely on RECA for advocacy, networking and professional education. As RECA celebrates its 25th anniversary this year, REDNews talked with leaders on where it's been and what is ahead.



**Tom Terkel, RECA Founding Member
FourT Realty**

RN: What precipitated the need for an organization like RECA?

TT: In the early '90s, the only voices from the real estate industry tended to be fairly strident folks who waged all-or-nothing battles without recognizing that what makes Austin extraordinary stems from the great diversity of views here. So, we started RECA to be a moderate voice for real estate interests recognizing that as we build homes for people to live in, offices for them to work in and restaurants for them to enjoy an evening out, we have to be cognizant of the values held dear to most Austinites.

RN: Can you paint a picture of the Austin business and real estate market in 1991 versus today?

TT: Back then our real estate industry was pretty small and when downturns hit, people left Austin to go to either coast. Now, people from all over the world flock here for the best jobs with the most interesting companies in the world. In 2009 – 2012, when every other place in the country was shrinking, we were still growing. But, while we've changed in many ways, in other ways, it's still the same. From transportation to permitting delays, we're still facing many of the challenges now that the community faced then.

RN: How did RECA attract members early on?

TT: We like to say that while folks join RECA for the events, they stick around for the advocacy. RECA has always been known for its great networking and events, such as the big annual KnockOut Night fundraiser, which we started in 1991.

But the most important work RECA does is every day at City Hall. RECA's staff and expert member volunteers stay on top of the issues that impact our industry and they are great at providing their expertise to our city's leaders and keeping our members informed about what's going on.

RN: What were some of the hot-button issues early on that RECA zeroed in on?

TT: In the late 1980s, one of our city council members actually wrote a letter to 3M telling them they would not be welcome to open up in Austin. So, we started by helping the city learn about better ways to protect our environmental assets other than just not building anything. We worked to solve problems in the Barton Springs Zone by forming the Hill Country Conservancy alongside fair-minded, sincere environmental activists. HCC has since preserved hundreds and hundreds of acres of Hill Country land, and meanwhile we've opened up that area for sensitive development.



**Brian Cassidy, RECA Chair
Locke Lord LLP**

RN: When did you first become active with RECA, and why?

BC: I became active in RECA in 2009. I was attracted to the organization by the caliber of people involved and the fact that RECA played a meaningful role in policy discussions related to growth in the region. I have always liked the fact that RECA has not shied away from its role as an advocate for

responsible development, even while, at times, being vilified by those who believed that little or no development was the best policy. Our region is now suffering the effects of not having built infrastructure to keep up with the growth we have experienced, most notably in our transportation system. I think it would be even worse if groups like RECA had not been there to advocate for some level of infrastructure investment.

RN: How has RECA evolved over its 25 years to stay relevant to its members?

BC: With the accelerated growth experienced in recent years, RECA has taken proactive steps to assure that its leadership and membership better reflect the changing demographics. For example, we recently instituted term limits for service. This will help to assure that there is a continuous inflow of new people on the board (along with those who have several years of board service), thus giving us a better perspective on current trends and perspectives in the community. We also created a Past Board Chair's Council as a way to keep former leaders of the organization, many of whom still are active leaders in the community, engaged. And we are sponsoring more events aimed at younger members- those who are both future leaders and who represent the changing face of the real estate development community.

RN: What are the top issues facing RECA and its members today?

BC: Transportation, CodeNEXT, and affordability. On the transportation front we have taken an active role in Mayor Steve Adler's mobility bond proposal, by both vetting it to assure that it can deliver mobility and congestion relief and by trying to assure that the bond funds are spent in a manner consistent with what has been represented. CodeNEXT hits at the core of what RECA's membership does, so we have been actively engaged in the process by which the draft code is being developed. We have publicly advocated for a more timely delivery of the draft code (which has been delayed several months) and have participated in the process by which prescription papers, intended to guide development of provisions of the code, have been developed. Regarding affordability, we recently called for the City to adopt a goal of adding 15,000 new housing units per year, with a focus on the "missing middle"- the dwindling supply of housing between single-family homes and large apartment complexes.

RN: in a city with so many diverse interests and competing voices, how will RECA continue to be heard above the noise to effectively advocate for members?

BC: RECA's credibility and depth of talent will enable it to continue to be an influential voice in policy matters. The expertise that RECA members bring to issues is unique among the diverse interests and competing voices that may be heard. That is not to say that other voices are not relevant- they clearly are. But RECA has consistently brought an informed voice to the debate over growth and development, and it will continue to do so because its members, and those representing its members, deal with growth and development issues every day.

RN: What do the next 25 years look like for the Austin real estate market?

BC: I think we will see the continuing densification of an expanding urban core, with technology and biotech companies driving much of the growth. The medical school and the so-called innovation district will add another dynamic to the local economy and will drive development and re-development in certain areas. Technology will influence our transportation options, but we will still struggle with funding roads and other infrastructure improvements.



Nick Molinet, RECA Chair-Elect
Stantec

RN: What do you see on the horizon for Austin's commercial real estate market?

NM: As an emerging city, we are at the forefront of a change in the way people live. Technology has had a massive impact on how people shop, work and even communicate, and the rules for development have become antiquated. Workplaces are as much a recruiting tool as they are a place to get your job done. Retail developers have turned back the clock to reflect a time when the spaces where people gathered were as important as the things they were gathering.

RN: Are there any red flags that concern you about the Austin market right now?

NM: If we are unable to find solutions to allow people to move throughout the region, the pressure on our existing infrastructure will cause it to fracture, then ultimately break. Like all great cities before us, we are facing a pivot point in our evolution. How will we address transportation? How will we address affordability? Will our elected officials lead rather than react? Are we cultivating the next generation of leaders that will inspire our city?

It is important for RECA to get our smart people out there as a resource for members of our community, civic and political leaders. These are the people that are faced with meeting the demands for office and housing and retail and parks and trails and great places to gather.