

First new high-end office buildings on Southeast Side to open at Brooks

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Officials involved in the development and building of WatersEdge at Brooks broke ground on Tuesday, Sept. 13, 2022. Billy Calzada, San Antonio Express-News / Staff photographer



SAN ANTONIO — A pair of buildings rising at Brooks mark a new phase in the redevelopment of the former Air Force base: They're the first new class A offices — an industry term referring to top-of-the-line space — anywhere on the city's Southeast Side.

At a groundbreaking ceremony, those involved in the project said they hope the space will be filled by tenants offering high-paying jobs.

“Until now there has been a missing piece in the jewel that is Brooks, and that is office space,” said T. Michael Scott, co-founding principal at Vienna, Va.-based Cambridge Holdings LLC, which is developing the buildings.

“We look to fill it with workers that can earn high wages and that can live, work and play right here at Brooks,” Scott said.

On ExpressNews.com: [French bread, pastry maker opening \\$35 million production facility at Brooks](#)

Dubbed WatersEdge, the four-story buildings across from Mission Trail Baptist Hospital will total 200,000 square feet combined and overlook a body of water.

WatersEdge will include balconies, outdoor seating and 1,100 parking spaces. About a quarter of one building will be occupied by Brooks Development Authority, which owns and manages the former Air Force base.

“This is a first,” said Brooks president and CEO Leo Gomez.



Leo Gomez, president and CEO of the Brooks Development Authority, listens during a groundbreaking ceremony for WatersEdge at Brooks.

Billy Calzada, San Antonio Express-News / Staff photographer

“What we’re going to have here is state-of-the-art office space so people can move here and see what we have on the South Side,” said District 3 Councilwoman Phyllis Viagran.

Asking rents will be \$21.50 a square foot and tenants will be offered \$50 a square foot to improve their spaces, Scott said. That compares with \$24 a square foot and \$40 a square foot in the market generally, he said.

The buildings are expected to be completed next summer. Executives at Transwestern, which is handling leasing, said they expect the space to be attractive to technology, medical-related and professional services firms.

The office market in the area now is “almost non-existent” save for scattered small buildings, said executive managing director Russell Noll. “Our belief is there’s pent-up demand.”



Preston Hollow Community Capital LLC is financing WatersEdge, which is expected to cost about \$60 million, said chairman and CEO Jim Thompson.

“It does reflect I think a little bit of courage on our part in this environment, because nobody knows what the office demand is going to be in a stabilized back-to-work scenario,” Thompson said.

The Dallas-based company has provided capital for other projects at Brooks through taxable and tax-exempt bonds and opportunity zone equity and tax-exempt bonds. That includes an Embassy Suites hotel, Amazon delivery station and infrastructure improvements.

Preston Hollow is also working on 450 single-family rental units, which will replace 163 rental units originally built as officers’ quarters for the base in 1962.



The Aviator was formerly Air Force barracks at Brooks. It has studio and one, two and three-bedroom apartments.
Billy Calzada, San Antonio Express-News / Staff photographer

When the rental project is finished, Preston Hollow will have invested more than \$212 million in Brooks since 2015, according to a July 2021 filing with the Securities and Exchange Commission.

Gomez said that has helped attract other investors.

Brooks was decommissioned in 2011 and has since been converted to a mix of manufacturing facilities, new housing, stores, schools, restaurants, medical facilities and hotels.

More than 3,200 people work at more than 50 businesses at the 1,308-acre site, according to Brooks.

That includes plants operated by food packaging company Cuisine Solutions and Nissei Plastic Machinery America Inc. and a facility opened by Okin Process, which provides customer support, billing and other services.

The land at Brooks is exempt from property taxes and is among 24 local census tracts designated as an opportunity zone.

Opportunity zones were established by then-President Donald Trump's 2017 tax bill and provide tax breaks on capital gains to investors who put their capital in long-term investments within the zones.

There's also a tax increment reinvestment zone at Brooks, which reimburses developers for infrastructure improvements from property tax revenue.

Over the past six years, about 13,000 new jobs have been created on the Southeast Side and the average household income in the area has risen by 24 percent, said Brooks board chair Jim Campbell.

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