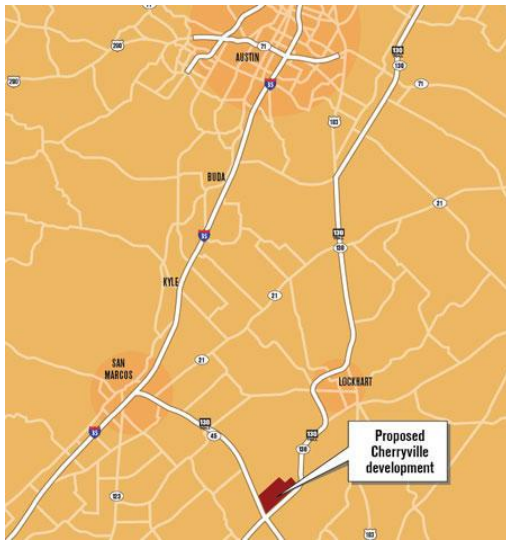


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Cherryville project to consume 3,400 acres off SH 130

Austin Business Journal - by [Kate Harrington](#) ABJ Staff



A massive master-planned community taking shape near Lockhart is poised to become one of the Austin area's largest developments.

Cherryville will span about 3,400 acres at the nexus of state highways 80 and 130. Ron Cherry, one of the partners and developers in the project, said the development will be built in phases and is planned to include:

- About 4,000 single-family homes, 3,900 multifamily units and 280 garden homes;
- 1,270 senior living units;
- Two hotels and a 70,000-square-foot conference center;
- About 1 million square feet of retail;
- About 2 million square feet of office;
- Medical office space;
- About 1.8 million square feet of industrial space;
- A satellite campus for a university;
- A hospital;
- Elementary, middle and high schools;
- About 650 acres of landscaped area, parks and trails.

Cherry is partnering with Jonathan Wener, CEO and chairman of Canadian real estate and development firm Canderel, to build Cherryville — which Cherry is quick to point with a chuckle was not named after him as an act of ego, rather a matter of convenience. The partnership is being called Dalcan.

Cherry said he doesn't yet know what the cost at buildout will be, but he said the development will be largely financed through bonds. The state Legislature granted the development municipal utility district, or MUD, status earlier this year.

"We will be able to use the MUD to create bonds and finance the infrastructure in that fashion," Cherry said. "One reason we went the route of a MUD, given the current economy, [is that] if we were planning for normal commercial financing, we'd have a really tough time."

The development will largely take shape as the construction of SH 130 moves forward, Cherry said. The first phase will likely be an industrial park, he said, with construction starting as early as next year. Cherry said he and Wener are talking with a number of possible users for the industrial space, one of which is interested in building a site ranging from 130,000 square feet to 180,000 square feet. If that unnamed user does locate in Cherryville, it would bring about 400 jobs with it, he said.

The developers are also talking with some universities about a possible satellite campus in the development, he said, although nothing has been decided.

"We're hoping to have some medical facilities that might interact with something like a nursing school or dental school," Cherry said. "This location is almost centered between a number of communities like Luling and San Marcos. Caldwell County hasn't been developed, but we think this site will give us a good location for some regional facilities."

David Colley, a broker working with Dalcan, said he helped Cherry identify the site more than three years ago. Former U.S. Congressman Jake Pickle once eyed the land, Colley said, and had talked about it as an ideal site for a Disney-type development. Dalcan acquired the land, made up of several former ranches, in early 2007.

For Caldwell County and Lockhart officials, the planned Cherryville development is a boon to the area.

Sandra Mauldin, economic development director for the city of Lockhart, said the city began positioning itself for growth several years ago by annexing 2,000 acres, knowing that the new SH 130 would bring growth to the area.

SH 130 is not yet complete in the Lockhart area, but the road is under construction.

"We want to make sure we grow and take advantage of opportunities, but maintain our historic integrity," Mauldin said. "We've watched Hutto and Pflugerville. We won't see that same amount [of growth], but just a percentage of it would be tremendous."

Mauldin said Cherryville isn't the only large, planned development in the area — at least two others spanning more than 400 acres are in the planning stages.

"We're doing very well in Lockhart, and I contribute that to construction. We're up 4 percent on sales tax," she said.

Neto Madrigal, a Caldwell County commissioner, said one of the biggest challenges for Cherryville could be finding enough water to accommodate such a large project.

Mike Wilson of Garrett-Ihnen Civil Engineers, the project's engineer, said Dalcan is working with the Tri-Community and Maxwell Water Supply corporations. Both of those corporations may join a group of smaller water providers that plans to buy additional water resources.

Courtesy of JB Goodwin