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Ridge's \$130M-Plus Park Nails Dallas Council OK

By [Connie Gore](#)

DALLAS-With nary a hitch, Dallas City Council has signed off on an abatement package for Chicago-based Ridge Property Trust to develop up to 328 acres in the southern sector. The REIT is expected to build 2.2 million sf of industrial space by June 30, 2013, holding it up as a plan to add 2,000 jobs to the region at the 4.3-million-sf build-out.

Kent Newsom, Ridge Property Trust's point man in Dallas, couldn't be reached by deadline to comment on city council's action late yesterday. Under the proposal, infrastructure work will get underway by May 2009 on the land, situated two miles south of Interstate 20 and fronting Telephone Road in Lancaster.

Ridge's dirt is being touted as a foundation stone for the long-sought inland port, which has been at least five years in the making. The southern sector is envisioned as a bookend for Hillwood's AllianceTexas, shoring up the [region's foothold](#) on distribution and supply chains in the central US. In March, several developers, excluding Ridge, earned rights to [foreign trade zone](#) status. However, the door wasn't shut with the feds' approval of the FTZ expansion, a designation pushed to fruition by San Diego-based Allen Group for its 6,000-acre Dallas Logistics Hub.

Based on public filings, the REIT will invest up to \$130 million to develop Ridge Logistics Center. The quid pro quo from council is a 75% tax abatement on real property for 10 years for the taxable value of the new buildings--estimated at \$4.6 million--and an OK for a two-step development agreement capped at \$10.55 million.

To earn the abatement, Ridge is required to build 2.2 million sf by the 2013 deadline. The first phase is estimated to cost \$66 million. Should Ridge fail to meet the minimum build-out schedule, city officials embedded the deal with a provision to lower the abatement percentage.

The development pact requires Ridge to kick in about \$7.2 million of common-area infrastructure and site improvement, of which \$5.1 million will be needed to seed the dirt for development. Another \$5.45 million is earmarked for infrastructure improvements to create the International Inland Port of Dallas. The city's cost will come from its 2006 bond fund.

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