

## **Majority of Council Takes Action to continue Redevelopment in Heritage Crossing**

McDougal Companies of Lubbock has acquired almost 40 acres for redevelopment of the 640-acre area that is bounded by West Pioneer Drive, Britain Road, Shady Grove Road and MacArthur Boulevard. McDougal continues to purchase properties at or below the target purchase price for each development. One demonstration project, Guaranty Bank has been completed and the redevelopment of the new McDonald's Restaurant is targeted for an April 2010 completion. An estimated \$16 million townhome/retail project, just east of the Heritage Senior Center is set to break ground in late 2009.

In an effort to support continued redevelopment of Heritage Crossing in Irving south, a fiscally conservative 380 agreement was established. The City of Irving and other cities grant 380 agreements and tax abatements to spur economic development or create jobs. These 380 or tax abatement agreements are typically not paid back. Because the city of Irving is constantly reviewing their practices, they created an agreement that causes this developer to repay the interest not to exceed \$477,000. Again, the City of Irving will be REIMBURSED for this interest.

This 380 agreement is extremely innovative and demonstrates the McDougal Company's continued commitment to the project. During these tough economic times, other developers across the metroplex are not going forward with developments, but the McDougal Companies have the ability to continue to forge ahead like other top companies. They are committing \$2.65 million of their own money into the project, plus they are committing to pay the \$477,000 of interest on the loan--an additional commitment that totals \$3,127,000 to the Heritage Crossing project. This funding will go toward the additional property acquisitions necessary to initiate construction in the fall of 2009.

"We are pleased with the progress that McDougal has made to this point, and based on the plans, we anticipate development that will continue to make positive aesthetic and economic impacts on this area," stated Councilwoman Rose Cannaday.

The redeveloper's \$2.65 million obligation illustrates his commitment to the success of Heritage Crossing. McDougal's vision for Heritage Crossing will change the landscape in Irving and will help the Economic Development Partnership attract top businesses and retail to the area.