

# Houston firm buys land near Big League Dreams

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**Houston firm buys land near Big League Dreams** By Laura Elder galvestondailynews.com

LEAGUE CITY — A Houston company finalized the purchase Friday of 100 prime acres near Big League Dreams Sports Park with plans to develop a sizable mixed-use project of retail, restaurants, hotels, offices and possibly multifamily dwellings.

Pinnacle Alliance Fund, a 20-year-old firm that develops everything from office buildings to retail centers to free-standing restaurant buildings, acquired the land from Compass Bank.

Pinnacle Alliance Fund officials declined to say what they paid for the 100 acres. The property had been listed on [Loopnet.com](http://Loopnet.com) for \$10 million, which some area realtors agree was a bargain price. In 2010, Tanger Outlets was willing to pay \$250,000 an acre, or \$8.7 million, for only 35 of the acres.

League City developer Randal Hall initially owned the land and had hoped to sell it to mall developer Tanger. But the deal came undone three years ago when Compass Bank sued Sonrisa Realty GP LLC, Sonrisa Properties Management and Hall, the companies' president, over a defaulted \$8.2 million loan. Tanger went on to codevelop with Simon Property Group the 90-store mall newly opened in Texas City.

The Pinnacle Alliance Fund acquisition is of three tracts — 19 acres on the north side of Big League Dreams; 65 acres on the south side of the sports complex and 15 acres fronting FM 646.

The Big League Dreams complex is less than a mile west of Interstate 45 between FM 646 and state Highway 96.

## **Waiting for the new year**

Pinnacle Alliance Fund plans to divulge specific plans for the site in the new year, John Meador, the firm's vice president and partner, said.

Meador on Friday would say only that the project would be a mixed-used development with strong anchors, retail and some office and entertainment venues.

It also might include a multifamily development along Calder Road, if the city approves. The development likely also would include medical offices and possibly hotels.

Pinnacle Alliance Fund principals worked on the acquisition for 18 months, Meador said.

The company was able to obtain financing at a time when commercial loans are hard to come by because of its long-standing relationship with Community Bank of Texas, Meador said.

Bolstered by strong oil and gas prices, the Houston economy is faring far better than others, Meador said.

“I would not want to be anywhere in the country besides Houston, Texas,” he said.

### **A changing horizon**

Other mainland projects are drastically changing the landscape along I-45 and stimulating more development, Meador said.

When Tanger Outlets settled on 55 acres west of I-45 and south of Holland Road in Texas City, it attracted Buc-ee’s, a chain of mega-convenience stores. Buc-ee’s acquired land at Holland Road and the I-45 feeder near Tanger Outlets, where it plans to build a 60,000-square-foot store.

A restaurant and hotel have signed letters of intent to develop nearby locations and another developer has purchased property near Tanger Outlets to build an amusement park, Texas City officials have said.

Before issues with Compass arose, Sonrisa gave about \$1 million to Galveston County Management District No. 1 to help pay for reversing two I-45 ramps near land Pinnacle Alliance Fund acquired this week.

At the time, the district and the Texas Department of Transportation agreed to convert south exit 20 to an entry ramp, and switch an entry ramp about half a mile north to an exit.

### **Accommodating the change**

The ramp reversals were to accommodate increased traffic at Sonrisa’s development, provide safer access to H-E-B, restaurants and other nearby retailers and alleviate congestion at the intersection of FM 646 and the frontage road. The ramp reversal still is planned, Meador said.

“We anticipate final approval by the state within 30 to 60 days,” Meador said. That construction could begin in the third quarter of 2013, Meador said.

Meador expects dirt to begin turning on the mixed-use development in six months to a year.

“Our goal is to move very quickly,” Meador said. “We have identified several users who might fit the mold in the mixed-use development.”