

Hotel Group Fine-Tuning \$15M Mixed-Use Project

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By Connie Gore

ARLINGTON, TX-A hotel partnership will undertake an estimated \$15-million, mixed-use development on 13 acres along Interstate 20 after nearly 18 months of scouring for the right site for its first project in Dallas/Fort Worth. The development plan calls for two hotels and three sit-down restaurants.

The first to rise on the Interstate 20-Collins Street tract will be a Hampton Inn & Suites, a four-story design with 2,000 sf of meeting space and about 100 rooms, Michael Daugherty, principal of Daugherty Management Co. in Frisco, tells GlobeSt.com. He and partner Jack Daugherty of Magnolia, AR are developing the land as principals of Ruel Management Ltd. and will have their operating company, D&D Lodging LLC, as hotel overseer. The Hampton Inn will be the duo's third hotel and first in the metroplex.

Daugherty says the Hampton Inn's final design is being fine-tuned, but the plan is to break ground in three to six months. It will take 11 months to deliver the hotel.

The Hampton Inn will sit on nearly three of the 13 acres, allowing for a trio of one-to three-acre pad sites and enough land for a second flag. The Hilton Hotels Corp. franchisee says talks have begun for the second flag with the Beverly Hills, CA-based hotelier and its competitors. "We'd like to have the first hotel under construction before we nail down the other one," he says. "But, we have every intention of it being a premium-type hotel."

The Daugherty partnership plans to develop one hotel per year. "We felt South Arlington has quite a few hotels, but none of the quality of the new Hampton Inn & Suites," he says. "We feel like we have a quality product and a great location."

Mayse & Associates Inc. of Dallas is designing the hotel and site plan as well as working out the zoning for acreage bought from Thomas R. Durant of Grapevine, who was represented by Dan Beard of Beard Commercial Realty of Dallas. Lynn Dowdle with Staubach Co.'s retail division in Dallas brokered for the buyer and also is leading restaurant negotiations. Talks have begun with a Mexican chain, the first of three 5,000-sf or larger theme restaurants planned for the site.

Daugherty says the partners, whose other hotels are in Texarkana, want to build an investment portfolio. "A lot of people build to flip properties, but we intend to be long-term holders," he stresses.

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