

Developers plan 1,057-acre project near Marble Falls

Plans include 1,500 homes, along with shops, restaurants and a hospital.

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Construction is scheduled to start next year on one of the largest projects in the Marble Falls area — an \$850 million master-planned community that will include about 1,500 homes and condominiums, as well as townhomes, apartments, shops, restaurants, a championship golf course and a new hospital.

The project will consist of Flatrock Springs, a 1,057-acre residential, retail and golf community planned for the northwest corner of Texas 71 and U.S. 281, and the adjacent 116-acre Crossroads Regional Medical Campus, which will have an 80-bed hospital, medical offices and assisted-care and independent-living residences.

Work is set to start in mid-2007 on all phases of the project, said Armand Biglari. He and his wife, Molly, are the lead developers of the Flatrock Springs portion of the project. The first residents are scheduled to move in by mid-2008, when the first retailers also are expected to open.

Austin-based Carr Development Inc. is developing the retail portion. Sam Martin, who has developed residential and commercial projects in Houston and Marble Falls, is the lead developer of the medical portion.

In 2004, the City of Marble Falls, northeast of Austin in Burnet County, tentatively approved conceptual plans for the project. The developers still need to submit a final master plan for approval, which will determine the project's overall density, said George Russell, city manager of Marble Falls.

The retail portion is expected to include big-box stores, specialty shops, restaurants and a grocery store. The developers have had discussions with several retailers but have not announced any prospective tenants, said Doug Moss, a partner with Carr Development.

The Lake of the Hills Regional Medical Center is scheduled to open in early 2009.

Although Marble Falls is home to only 7,500 people, 224,000 people live within 30 miles of the city — and about 90,000 more are expected to move to the area in the next decade, Russell said.

The new developments "would provide additional services and homes for people interested in this area of the state," he said.

More than 450 acres of Flatrock Springs will be reserved for an 18-hole Bechtol Russell signature golf course and a greenbelt that will include landscaped parks, hike-and-bike trails and a boardwalk along Flatrock Creek, which runs through the development, said Armand Biglari, who lives in Marble Falls.

The entire development is expected eventually to be annexed by the City of Marble Falls.

Flatrock Springs and Crossroads will have their own water and wastewater treatment facilities. Those plants could be expanded to serve additional development on the south side of Lake Marble Falls, Biglari said.

Flatrock Springs and Crossroads will use 1 million gallons of water a day, with the capacity for up to 5 million a day, the developers said. The water will come from Lake Marble Falls.

The development would add "substantially" to the city's sales tax base of \$5 million a year, Russell said. Biglari estimates that the project would add about \$2 million to \$3 million in sales taxes annually.

At Flatrock Springs, homes will be built on 1,200 single-family lots. Prices will range from \$250,000 to \$500,000. Flatrock Springs also will have about 300 condominiums, with prices starting in the \$200,000 range, as well as an undetermined number of apartments and townhomes.

The hospital will be an expansion of Llano Memorial Hospital's health care network. It will anchor a medical campus with a four-story, 60,000-square-foot medical offices building. Additional land will be reserved for future expansion of up to 150,000 more square feet of medical and professional offices.

Crossroads also will have an assisted-living center with at least 72 units in the first phase and potentially twice as many units in a second phase, Biglari said. In addition, Crossroads will have 30 independent-living townhomes.

Financial partners in the project are private equity groups and hedge funds in New York, Florida and Nevada, Biglari said.