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Rangers, city settle dispute Team agrees to repay \$22.2 million in legal costs *Rani Cher Monson Staff Writer of the Arlington Morning News*

The Rangers ended an on-going dispute Tuesday when the team agreed to repay the city \$22.2 million it spent settling two condemnation cases.

City officials and the team president expressed their pleasure at reaching an agreement, avoiding a costly and lengthy court fight, and maintaining a positive relationship between both entities.

The payment also was enthusiastically accepted by some residents who have long questioned why the city exceeded the \$135 million it promised it would spend in 1991 when voters approved a half-cent sales tax increase to build The Ballpark in Arlington.

"I always have contended the Rangers were contractually obligated to repay the city its money, and I'm glad to see it has happened," said frequent City Hall critic Bill Eastland. "They are located in an ideal location in one of the best ballparks in the world. I'm glad they're making the payment."

The baseball team is repaying the \$11.2 million the city spent settling legal battles with property owners who lost their land through the city's power of condemnation.

The team is repaying the money over 26 years, at an interest rate of 5.09 percent, totaling \$22.2 million. It will be used to repay the debt issued to pay for the \$191 million ballpark.

The Rangers also agreed on Tuesday to continue playing in Arlington until 2034 - 10 years longer than originally agreed upon.

Despite the addition to the agreement, city officials and team President Tom Schieffer both said the Rangers were not considering leaving Arlington over the dispute.

"We have had a long-standing difference of opinion for months now," Mayor Elzie Odom said at a 6 p.m. press conference. "We're glad Tom Schieffer has become our friend and he was willing to listen to our opinion and act accordingly."

The city has claimed the Rangers were required to repay the money spent on land settlements. The baseball team previously insisted it had paid for the settlements since its annual lease payments of \$3.5 million were used to pay landowners.

Mr. Schieffer said the team was willing to forgo its opinion and pay the settlement to maintain its ties with the city.

"Our relationship with the city of Arlington is more important than the legal position we have," he said.

The payments will be made to the Arlington Sports Facilities Development Authority. Annual payments of \$500,000 will be made over the next five years. After that, the size of the payments will grow until it hits its maximum of \$1 million during the last 10 years of the 26-year agreement.

The city created the sports authority to levy the sales-tax increase and condemn land after voters approved the measure in 1991. The sports authority owns the ballpark under a public-private partnership struck with the Rangers to build the facility.

Mr. Schieffer also said he doesn't anticipate the settlement fees would impact fans by causing ticket, parking and concession costs to increase at the ballpark.

The \$22.2 million settlement will be used to retire the outstanding bonds paying for the ballpark. The facility is expected to be paid for in 2001 or 2002.

At that time, the half-cent sales tax increase will disappear. When the bonds are repaid, the city will be able to spend the payments - as well as its annual lease - on other projects.

Corsicana attorney Glenn Sodd, who represented two families in the condemnation cases, said the Rangers did what they were legally responsible to do. But he questioned why the city let the team borrow the money at an interest rate matching that of a 30-year U.S. Treasury Bond.

"The contract states the Rangers are responsible for all expenditures beyond \$135 million," he said.

"But I didn't realize the city would give the Rangers such a cheap loan," he said, referring to the 5.09 interest rate both parties agreed upon.

Any resident who wanted a loan from a bank, by contrast, would be forced to pay an interest rate several percentage points higher than 5.09 percent.

"Do you think the city will give me a loan, too?" Mr. Sodd said.

The \$22.2 million repayment from the Rangers represents all of the money spent by the city in excess of \$135 million, said Bill Studer, executive director of the sports facility.

"Everything the city spent money on was included in the \$135 million, except for these two payments for the land," Mr. Studer said.

The city paid a total of \$12.4 million to settle the land condemnation cases. Portions of each settlement were paid out of the \$135 million maximum. That is why the Rangers are repaying the city \$11.2 million instead of \$12.4 million, Mr. Studer said.

Until Tuesday, the Rangers and the city remained at odds over which entity should pay the settlements to landowners in the controversial condemnation cases.

Last year, the sports authority agreed to pay the Fanning family \$5.1 million to settle a dispute over 10 acres that had been condemned.

In 1996, a Tarrant County jury awarded \$7.3 million to heirs of the television magnate Curtis Mathes for 10 acres of land used for the ballpark.

In the Fanning case, the city spent \$4.7 million outside of the \$135 million cap. In 1996, an extra \$6.4 million was spent, totaling \$11.1 million. The Rangers agreed on Tuesday to pay the city \$11.2 million, plus interest.