

Dallas Morning News, The (TX)

May 29, 1997

Award exceeds budget, official says **City attorney says reimbursement will be sought from Rangers** *Kim Horner Staff Writer of the Arlington Morning News*

Taxpayers have spent more than the \$135 million that was committed to build The Ballpark in Arlington because of a \$7.3 million legal settlement over the project, a city official said Wednesday.

"It's over the limit," City Attorney Jay Doegey said.

Mr. Doegey also said the city-appointed Arlington Sports Facilities Development Authority Inc. will seek reimbursement of the \$7.3 million from the Rangers. But the city won't ask the team for repayment until after another land condemnation lawsuit still pending against the city is resolved, Mr. Doegey said.

"That's got to be settled up at the end," Mr. Doegey said.

Mr. Doegey's statements contradict those of sports authority president Bill Snider, who said Tuesday that the \$7.3 million award may not force the authority to exceed its \$135 million budget.

Mr. Snider could not be reached for comment Wednesday.

Texas Rangers general manager Tom Schieffer has said the team shouldn't have to pay the jury award because the team wasn't a party in the lawsuit. Mr. Schieffer could not be reached for comment Wednesday.

The sports authority owns the ballpark under the terms of a public/private partnership struck with the Rangers to build the facility. Last week, the authority paid \$7.3 million to settle the lawsuit.

Heirs of late television magnate Curtis Mathes sued the sports authority in 1992, claiming that the agency didn't pay fair market value for their 13 acres next to the ballpark project. A Tarrant County jury ruled in May 1996 that the city owed the family \$4.98 million. The \$7.3 million settlement, approved by the City Council on Tuesday, ended the litigation.

The city originally paid the Mathes family \$800,000 for the land.

In another ballpark condemnation lawsuit, relatives of the late Clara Fanning claim that the city didn't offer fair market value for 10 acres of land adjacent to the Mathes' property.

No trial has been scheduled for the case, said Glenn Sodd, the Fanning family's attorney. But now that the Mathes case has been resolved, Mr. Sodd said he expects the case to be scheduled for a trial in September.

The sports authority paid the \$7.3 million to resolve the Mathes case from a reserve fund of money accumulated from annual \$3.5 million lease payments from the Rangers, officials said.

The authority issued \$135 million in bonds to pay its share of the facility after voters approved a half-cent sales tax to pay off the bonds in 1991.

The agency is scheduled to pay off the bonds in increments during the next several years, with a final payment of \$72 million in 2002.

At that time, the Rangers will have the option to buy the ballpark for \$60 million. Rent paid on the facility applies toward the price, allowing the team to take over the facility at the end of the agreement.

The city's agreement with the Rangers stipulates that taxpayers won't spend more than \$135 million of the \$191 million ballpark, Mr. Doegey said.

Bill Eastland, a local accountant who led a fight against approving the ballpark in 1991, said he doubts that the Rangers will ever pay the \$7.3 million award.

"In the end, someone has to pay for this, and the only one left to pay is taxpayers," Mr. Eastland said.

It's not unusual for a public- and privately financed stadium project to come in over budget, said Gerald Scully, a University of Texas at Dallas professor and author of *The Business of Major League Baseball*.

But the contract between the parties should leave no question about who should pay unexpected expenses, he said.

"There are very few stadiums and arenas, especially with public financing, that have come in on budget," Mr. Scully said.

Public agencies should expect the cost of condemning land to be unpredictable because property owners frequently sue over the prices offered, said Dr. Ard Anjomani, professor of city and regional planning at the University of Texas at Arlington.

Copyright, 2005, Dallas Morning News. All Rights Reserved.