

Descriptive Narrative: Frisco Sports Complex

Scope

When the small agricultural town of Frisco Texas experienced a population explosion in the mid 1990's, there were concerns along with celebration. Now recognized as one having one of the fastest growing populations in the country by the US census bureau, how could retail and commercial development keep pace? How could property taxes be kept low when the call for city services was increasing so drastically? And what kind of family entertainment options were needed to build Frisco into the kind of city that that would keep citizens glad to live work and play here? Besides these sustainability issues, the City and School district, along with most other organizations in Frisco, were growing out of their facilities.

The Frisco City Council faced these monumental issues at their 1996 summer work session. Recalling the city's "Live, Work, Play, and Grow" motto, they decided that the City of Frisco, then a town of 16,450, should pursue opportunities to host a professional sports franchise. A public private partnership to build and operate a new minor league ballpark as part of a greater Sports Complex was the vehicle used to achieve this dream.

Partners in this massive undertaking include the Frisco Independent School District, City of Frisco, Frisco Economic Development Corporation (FEDC), Frisco Community Development Corporation (FCDC) and Southwest Sports Group. The centerpiece is the new Dr Pepper/7 Up Ballpark, home of the Frisco Roughriders, a Double A Affiliate of Major League Baseball's Texas Rangers. The stadium, which opened on April 3, 2003, surpassed ticket projections in its first two seasons.

The Sports Complex was completed later in 2003 with the opening of the Dr Pepper StarCenter. The StarCenter, which houses two NHL ice rinks, serves as the administrative offices and practice center of the National Hockey League's

Dallas Stars. Additionally, the facility is the home of the Texas Tornado, a developmental hockey league, and Kurt Thomas Gymnastics Center.

Funding for the sports venues, including the parking, land, and infrastructure, totals \$68 million and comes from a variety of public and private sources, with debt service at approximately \$6 million per year. The Frisco Sports Complex is located in Frisco's Tax Increment Reinvestment Zone (TIRZ), which contributes \$2.4 million annually. The city's hotel occupancy tax, FCDC and FEDC each contribute \$500,000 yearly for the public subtotal of \$3.9 million. Operating agreements place all of the maintenance and operational costs on the private companies managing the facilities. Private funding comes from leases amounting to \$1.7 million, annually.

Outcomes

Benefits to the community are already being realized. The Frisco Rough Riders first season attendance of 706,534 exceeded projections. Approximately 86% of season tickets were sold out by opening day, and the stadium was named the Best New Ballpark of 2003 by Ballparks.com. The Frisco Rough Riders and the Texas Tornado are currently the champions of their leagues. A Frisco hotelier received the contract to provide lodging for visiting teams. The FIRD and the City have access to the ballpark and arena for large events, athletics, and graduation.

Quality of life has improved, as residents have more entertainment options in closer proximity, and the project is accelerating development of an Embassy Suites Hotel and convention center, which will be complete by summer 2005. The new hotel is expected to have over 330 rooms, and the convention center is to be approximately 110,000 square feet. The Dr Pepper StarCenter regularly hosts regional ice skating competitions and is home to junior and adult hockey leagues and competitive ice skating clubs. Just south of the Ballpark, retail furniture giant IKEA is building its second Texas store in Frisco.

Despite all this improvement, there has been no additional tax burden on citizens. In fact, adding the sports facilities to the commercial mix of the City has contributed to the City's strong sales tax revenues and property valuation. Longer term, the City anticipates additional customers for the mall and retail developments, located just across the street from the ballpark, as well as additional corporate and retail growth, increased valuation of property taxes, and increased revenue from the hotel occupancy tax as the sports complex is completed and the city establishes itself as a tourism destination. Public private partnerships are the key to achieving this economic impact and to establishing Frisco as a unique and sustainable community.

Lessons

At all times during construction of the Frisco Sports Complex and subsequent off shoot projects, an evaluation process has been in place to measure the partnerships outcomes. Every agreement between the partners can be evaluated and amended based on the outcomes from the first year of operation and subsequent years of operation as needed. The Frisco Sports Complex continues to grow and evolve. It has reduced costs to the citizens of Frisco while increasing service delivery of family friendly entertainment.

In great measure due to the success of the Frisco Sports Complex, Major League Soccer's (MLS) Dallas Burn, recently renamed FC Dallas, is relocating to Frisco and building a new 20,000-seat stadium with seventeen tournament fields, expected to draw one million visitors annually. The City is using experience cultivated from the Sports Complex as this project, called the Frisco Soccer and Entertainment Center, comes to fruition. This new public-private partnership between the City, FISD, Hunt Sports Group, Collin County, the Frisco Economic Development Corporation, and the Frisco Community Development Corporation will help to keep school district taxes low, as the FISD was in the design process of an \$18 million stadium for multi-purpose use. The School District was able to contribute \$15 million to have access to a \$65 million stadium and will avoid the

estimated \$500,000 maintenance and operations costs over the 40-50 year lifetime of the stadium, which are covered by Hunt Sports Group. The cost avoidance to the School District alone in this case amounts to tens of millions of dollars over time.

Public Private Partnerships allow communities to realize dreams, establish economic sustainability, differentiate themselves, and promote improvements that could not be accomplished alone. The Frisco Sports Complex partnerships provide a shining example.