

CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: City Manager

AGENDA DATE: June 26, 2012

CONTACT PERSON NAME AND PHONE NUMBER: William F. Studer, Deputy City Manager, 541-4252
Carmen Arrieta-Candelaria, Chief Financial Officer, 541-4293

DISTRICT(S) AFFECTED: ALL DISTRICTS

SUBJECT:

1. A Discussion and action on a presentation of the Downtown Sports Complex Study as developed by Urban Design+.
2. Discussion and action on a presentation of the financial impacts of a downtown stadium.
3. Discussion and action on a resolution that the City Manager be authorized to sign the Term Sheet as agreed upon by the City of El Paso and Mountain Star Sports Group, LLC, in order to signal the creation of the public/private partnership and the intent of the City Council to construct a public sports facility ("Ballpark") in the event the investors are able to purchase a Triple-A Minor League Baseball Franchise and relocate it to El Paso; that the City Council intends to locate the Ballpark on the site currently occupied by City Hall, Insights Museum, the Community Garden and the supporting parking area fronting on Franklin Street and authorizes the City Manager to take measures to complete the planning for the redevelopment of such site and to take steps to make the site available for the construction, including termination of leasehold interests, and to move forward to formulate long term and short term execution plans for the relocation of City operations from the City Hall site to other locations in the downtown area for the construction of the Ballpark; that the City Manager be authorized to proceed with proposed financing plan to include the possible use of (i) a venue hotel occupancy tax if approved by the voters at a duly-called election; (ii) lease revenue bonds issued by a local government corporation formed by the City; and/or (iii) other debt obligations issued by or on behalf of the City for the construction and development of the Ballpark; and that the City Manager or her designee be authorized to negotiate a contract containing the terms and conditions set forth in the Term Sheet for the construction and future operations and maintenance of the Ballpark and to present it to City Council for consideration upon completion of the negotiations.
4. Discussion and action on a resolution providing for the planning, acquisition, establishment, development and construction of a sports and community venue project and designating the method of financing the project pursuant to Chapter 334 of the Local Government Code.

BACKGROUND / DISCUSSION:

1. Discussion and action on a presentation of the Downtown Sports Complex Study as developed by Urban Design+.

Urban Design+ was contracted by the City of El Paso to prepare an El Paso Downtown Sports Facilities Study with the following objectives:

- Identify sites for three major sports facilities: AAA Baseball Stadium; MLS Soccer Stadium; and Multi-purpose Events Arena.
- Minimize takings of private properties – prioritize City-owned properties
- Facilitate fast track development, especially for AAA facility
- Support the continuing improvements in downtown El Paso and create synergies between uses

This report (attached) was finalized on June 19, 2012, and will be presented by Bill Studer, Deputy City Manager.

2. Discussion and action on a presentation of the financial impacts of a downtown stadium.

An internal preliminary financial impact review was conducted by Financial Services Department with input from Engineering, CVB (SMG), Economic Development and First Southwest, the City's Financial Advisors. A brief presentation will be given by Carmen Arrieta-Candelaria, Chief Financial Officer.

3. This Resolution will authorize the City Manager to sign off on the Term Sheet with Mountain Star Sports Group, LLC and establish a public/private partnership for the construction of a ballpark in the event Mountain Star Sports Group can purchase a Triple-A baseball team and move it to El Paso. It further authorizes specific action related to the location of the Ballpark and relocation of the City Hall and affected surrounding locations that are city-owned or controlled. It authorizes the City Manager to move forward with the proposed financing plan which includes various options; and the resolution authorizes the City Manager to enter into negotiations for the construction of the Ballpark and operation and maintenance of the new facility once complete. Various staff will present this item to Council.

Sports and Community Venue Project Resolution

4. This Resolution is related to the financing of the possible ballpark as a venue project and the authorization of additional hotel occupancy taxes to help with that financing. Chapter 334 of the Texas Local Government Code (the "venue" statute) requires that before City Council can pass a venue election ordinance, the State Comptroller must first determine that the implementation of the venue project will not have a negative impact on State revenue. The way that is done is that the City Council passes a resolution authorizing the proposed venue project (which will be submitted to the voters) and that resolution is then sent to the State Comptroller for her review and approval. The Comptroller has 15 days to respond but if no response is received in 30 days, it is deemed approved. Passage of the attached venue resolution would allow the City to move forward with the Comptroller approval and thereby position City Council to consider a venue election ordinance at its August 14th City Council meeting. Paul Braden, the City's outside counsel, will be on hand to address this item.

PRIOR COUNCIL ACTION:

At its May 24, 2012 special meeting, City Council instructed staff and counsel to move forward with a bond election and a venue election to be held on November 6, 2012. This is required to move forward with the venue election.

AMOUNT AND SOURCE OF FUNDING:

N/A

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:

Carmen Arrieta Candelaria

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

A RESOLUTION PROVIDING FOR THE PLANNING, ACQUISITION, ESTABLISHMENT, DEVELOPMENT AND CONSTRUCTION OF A SPORTS AND COMMUNITY VENUE PROJECT AND DESIGNATING THE METHOD OF FINANCING THE PROJECT PURSUANT TO CHAPTER 334 OF THE LOCAL GOVERNMENT CODE.

WHEREAS, if approved at an election, the City Council (the "Council") of the City of El Paso (the "City") intends to plan, acquire, establish, develop, and construct a sports and community venue project under the authority and subject to the provisions of Chapter 334, Local Government Code (the "Act"); and

WHEREAS, this Resolution is adopted pursuant to the requirements of and in conformity with Section 334.021 of the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO, TEXAS:

SECTION 1: The Council hereby authorizes and, subject to approval at an election, designates, the acquisition, establishment, development and construction of a sports and community venue project within the City of the type described and defined in and permitted by the Act and described in summary form as follows:

Stadium Project

A multipurpose coliseum, stadium or other type of area or facility that is planned for use for one or more professional or amateur sports events, including minor league baseball games, and related infrastructure, all as permitted and defined in Section 334.001(4)(A) of the Act.

SECTION 2:

(a) The Council designates the following method of financing as the method of financing the City wants to use to finance the Stadium Project:

The imposition of a tax on the occupancy of a room in hotel located within the City at a rate not to exceed two percent (2%) of the cost of such room on persons who, under a lease, concession, permit, right of access, license, contract or agreement, pays for the use or possession or for the right to the use or possession of a room that is in a hotel, costs \$2 or more each day and is ordinarily used for sleeping, as and to the extent authorized by Subchapter H of the Act.

(b) If this Resolution and the Stadium Project are approved by the voters of the City at an election held in accordance with the Act and other applicable law, the Council intends to and will adopt an ordinance that levies and orders the collection of the hotel occupancy tax

identified in subsection (a) of this Section at the rate of two percent (2%) of the price paid for a room in a hotel, in accordance with Subchapter H of the Act.

SECTION 3: The City Manager or her designee is authorized and directed to send a copy of this Resolution to the Texas Comptroller of Public Accounts, together with other information as may be requested by the Comptroller, for a determination that the implementation of this Resolution will not have a significant negative fiscal impact on State revenue.

SECTION 4: The City Manager or her designee shall place on the Council's agenda an order or ordinance calling an election under Section 334.024 of the Act on the question of approving and implementing this Resolution upon the first of the following to occur: (1) receiving written notice from the Comptroller that implementation of this Resolution will not have a significant negative fiscal impact on State revenue; or (2) the expiration of thirty (30) days from the date the Comptroller received a copy of this Resolution, if no such written notice is provided by the Comptroller.

SECTION 5: If the method of financing described in Section 2 is approved at the election ordered by the City, as contemplated in Section 4, the Council, by resolution, shall establish the Stadium Venue Project Fund as the venue project fund required by Section 334.042 of the Act. All proceeds from any approved hotel occupancy tax, and any other revenue the City by ordinance determines is appropriate for use in financing the Stadium Project shall be deposited to the venue project fund and shall be used exclusively for the purposes permitted in Section 334.042 of the Act.

SECTION 6: This Resolution shall take effect immediately from and after its passage.

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PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF EL PASO, TEXAS,
THIS THE _____ OF _____, 2012.

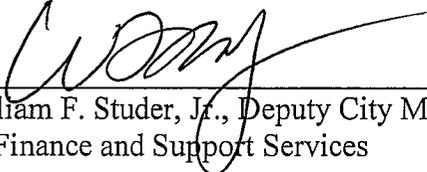
CITY OF EL PASO:

John F. Cook
Mayor

ATTEST:

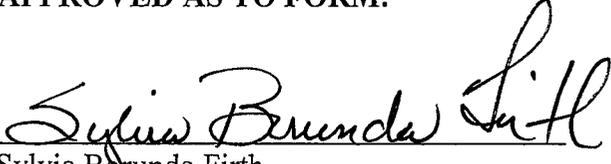
Richard Duffy Momsen
City Clerk

APPROVED AS TO CONTENT:



William F. Studer, Jr., Deputy City Manager
for Finance and Support Services

APPROVED AS TO FORM:



Sylvia Borunda Firth
City Attorney

City of El Paso Venue & Bond Election
Tuesday, November 6, 2012

<u>Event</u>	<u>Time Required</u>	<u>Date</u>
City Council Adopts Resolution Authorizing Venue Project	Before calling a venue election; See Comptroller review below	June 26
City Submits Venue Project Resolution to Comptroller	Comptroller suppose to respond in 15 days and deemed approved if no answer in 30 days ¹	No later than July 12th
City Council Introduces Election Ordinances		August 7, 2012
City Council adopts Two Election Ordinances: (1) Venue and (2) Bond Election	Not more than 90 days or less than 78 days prior to election day	No earlier than: August 8, 2012 & no later than: August 20, 2012. August 14th only regular City Council meeting date
Submit documents to the U.S. Department of Justice to preclear bond election	At least 60 days prior to start of early voting, if possible	Dependent upon date City Council orders bond election (August 23, 2012 is 60 days prior to start of early voting)
Deliver Notice of Election to the County Clerk & Voter Registrar	Not later than the 60th day before election day	On or prior to September 7, 2012
Publish Notice of Election (English and Spanish versions)	On the same day in each of two successive weeks, the first publication to be not more than 30 days or less than 14 days prior to election day	First Publication: No earlier than October 7, 2012 No later than October 23, 2012 Second Publication: 1 week later (on same day as first publication)
Post Notice of Election (English and Spanish versions)	Not less than 21 days prior to election day	No later than October 16, 2012
Deliver Notice of Election to the Presiding Judge of each election precinct	No later than 15th day before election day	No later than October 22, 2012
Early Voting Begins	17 days prior to election date	October 22, 2012 ⁽²⁾
Early Voting Ends	4 days prior to election	November 2, 2012
Election Day⁽²⁾	Uniform Election Date	November 6, 2012
City Council Canvasses Election Returns	Not earlier than 8 days and not later than 11 days after the election	No earlier than November 14, 2012 No later than November 19, 2012 ⁽³⁾
End of election contest period	30 days after canvassing	Depends on date of canvass

¹ Section 334.022, Texas Local Gov't Code.

² Saturday, October 20, 2012, is 17 days prior to the election date; however, if the date prescribed is a Saturday, Sunday, or legal state holiday, the early voting period begins on the next regular business day, which in this case is Monday, October 22, 2012.

³ Bond elections must be held on one of two available "uniform election dates" (the second Saturday in May or the first Tuesday after the first Monday in November).

³ The statutory deadline falls on Saturday, November 17, 2012, but Texas law provides that the act may take place on the next regular business day, which is Monday, November 19, 2012.