

**SPECIAL CITY COUNCIL MEETING**  
**February 28, 2008, 6:30 p.m.**

**CITY COUNCIL OF THE CITY OF ABILENE, TEXAS**  
**COUNCIL CHAMBERS, CITY HALL**

The City Council of the City of Abilene, Texas, met in Special Called Session on February 28, 2008, at 6:30 p.m. in the Council Chambers at 555 Walnut Street. Mayor Archibald was present and presiding with Councilmen Sam Chase, Stormy Higgins, Joe Spano, Anthony Williams, Councilwomen Laura Moore and Celia Davis. Also present were City Manager Larry Gilley, City Attorney Dan Santee, City Secretary Danette Dunlap, and various members of the City staff.

Councilman Williams gave the invocation.

Mayor Archibald introduced Cassidy Munton a 3rd grader from Wylie Intermediate School; Cassidy led the Pledge of Allegiance to the Flags of the United States of America and the State of Texas.

Mayor Archibald explained that Kris Seale with Abilene Youth Sports Authority will have the opportunity to give a brief explanation of the project then David Wright Director of Finance for the City of Abilene will give the Impact Statement as required by law.

Mr. Seale briefed the City Council on the proposed Abilene Youth Sports Complex. The primary function of the outdoor complex is to attract and host local, regional, and statewide tournaments. The Complex will consist of 4 Little League baseball fields, 2 Senior League baseball fields, 5 softball fields, and 2 football/soccer fields. Covered seating, multiple concession areas and bathroom facilities, playground areas, and strategically designed parking areas all make the complex extremely user friendly and safe for families and a remarkable year-round attraction for the community.

The indoor complex will include 6 full-sized basketball courts that can be converted to 10 volleyball courts and 10 small-sized basketball courts, a multi-purpose indoor field for soccer, football, lacrosse, martial arts, cheerleading, etc., and a secured playground area. Also included is a reception/league office area for community registrations, multiple meeting rooms, administrative offices, Fellowship of Christian Athletes (FCA) offices, coaching resource library, merchandise shop, concessions area, and dressing rooms.

The Abilene Youth Sports Complex will be located in Enterprise Park at Hwy 351 and Interstate 20. This is a perfect location because the sports complex will help continue development of North Abilene and it is easily accessible for local and area families as well as tournament teams visiting Abilene. With a presence near I-20 it will be a tremendous billboard for Abilene as a wonderful place to live and work.

The property is being donated by Kenneth Musgrave and Horne Properties along with the infrastructure that is needed for this complex.

The goal is to provide more children with more youth sports opportunities, which includes the creation and staffing of a youth sports administration office. This office is designed to provide support for all the leagues and offer the community a “one-Stop-Shop” location for participation in any of the youth leagues.

The desire is that all of the current leagues participate in this central office because it will be such a tremendous service to the families and community of Abilene.

The projected new sports, new seasons, tournaments, camps and clinics do not directly compete with the current leagues, and they are committed to the success and growth of all the current leagues in addition to reaching a greater number of kids with new sports and seasons at all different skill levels.

The combination of Tournament Revenues, Concession & Advertising Revenues, Facility Rentals, and Grant Funding will help keep the costs reasonable for local leagues and families.

The goal is to partner with current leagues to provide opportunities for more children to participate, training and support for more volunteers, and more and better facilities designated for youth sports. In addition to the new sports and seasons, some current leagues may want to use the sports complex as their league home with other leagues may want to just rent the facility for a special event. Either way those financial arrangements will be beneficial to all parties and based on the goal of providing the kids with the best possible experiences.

The Central Youth Sports Office will be one of the biggest benefits for the leagues and the community, and through cost-sharing each participating league will be able to flourish through the services of a full-time office at a fraction of the cost.

The total cost of the project is \$40 million. This includes the land, infrastructure for the location, construction costs, equipment and fixtures, plus a \$3 million endowment to insure that the facilities will continue to be maintained at a first-class level for years to come.

They have received the \$10 million donation of land and infrastructure and are now finalizing the plans for the Private Capital Campaign to raise the additional \$15 million.

The voter approval for the use of \$15 million from the current ½ cent sales tax will show the local support that is necessary for AYSA to successfully raise funding from the private local and national organizations and foundations.

Will the use of a portion of the Economic Development Sales Tax for the Sports Complex hurt the efforts of DCOA in attracting new industry to Abilene? The AYSA believe just the opposite. They believe that improving the quality of life in Abilene with organizations and facilities such as the Abilene Youth Sports Complex will make Abilene an even more attractive place to live and work.

They believe that if approved, the DCOA will continue to manage the distribution of sales tax revenues as well as any funds allocated to this project. Current estimates indicate that this project will consist of possibly only 20-23% of the annual DCOA tax revenue for a specified period of time.

This project will provide incredible new sports opportunities for thousands of kids in the region while bringing in over \$11,000,000 in new spending every year for the community and over \$400,000 in additional tax revenues for the City.

David Wright Director of Finance briefed the City Council on the Illustration of potential cost and impact 4B project (AYSA) debt scenarios.

#### Financing with ½ Cent Sales Tax

<b>10 Year - Level Debt</b>		<b>15 Year - Level Debt</b>	
Annual Average Payment	\$1.9 Million	Annual Average Payment	\$1.4 Million
Projected Interest Rate	4.25%	Projected Interest Rate	4.45%
Total Project Cost	\$18.8 Million	Total Project Cost	\$21.1 Million
<b>20 Year - Level Debt</b>			
Annual Average Payment		\$1.2 Million	
Projected Interest Rate		4.70%	
Total Project Cost		\$23.9 Million	

### Incentive Guidelines

(Projects may receive assistance in one or more of these categories)

- For jobs paying\*:
  - \$30 to \$40k/year
  - \$40 to \$50k/year
  - \$50 to \$60k/year
  - Over \$60k/year
- Per job incentives:
  - from \$10k and up
  - from \$12k and up
  - from \$15k and up
  - from 35% of 1<sup>st</sup> year annual salary and up

\* Based on regular salary (w/out overtime) and non-mandatory employee benefits

- Grants/forgivable loans & loan participations for capital investment
  - 10% or more of capital investment costs (in lieu of tax abatement)

### Examples of Potential Cost and Impact on 4A Projects

- A \$30,000 a year job is reimbursed at 1/3 over a 5 year period.  
Incentive = \$2,000 a year  
( $\$30,000/1/3 = \$10,000/5 \text{ years} = \$2,000$ )
- A capital investment of \$10,000,000 is reimbursed at 10% over a 5 year period.  
Incentive = \$200,000 a year  
( $\$10,000,000 \times 10\% = \$1,000,000/5 \text{ years} = \$200,000$ )

### Examples of Potential Cost and Impact on 4A Projects

#### 10 Year Debt @ \$1.9 Million a Year

Equals 950 jobs every 5 year period or  
\$95 million capital investment every 5 year period

#### 15 Year Debt @ \$1.4 Million a Year

Equals 700 jobs every 5 year period or  
\$70 million capital investment every 5 year period

#### 20 Year Debt @ \$1.2 Million a Year

Equals 600 jobs every 5 year period or  
\$60 million capital investment every 5 year period

### *4A Capacity Calculations*

#### 10 Year Debt @ \$1.9 Million a Year

$\$1,900,000/\$2,000 \text{ per job} = 950 \text{ jobs}$

Or

$\$1,900,000 \times 5 \text{ years} = \$9,500,000$

$\$9,500,000/10\% = \$95,000,000 \text{ capital investment}$

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#### 20 Year Debt @ \$1.2 Million a Year

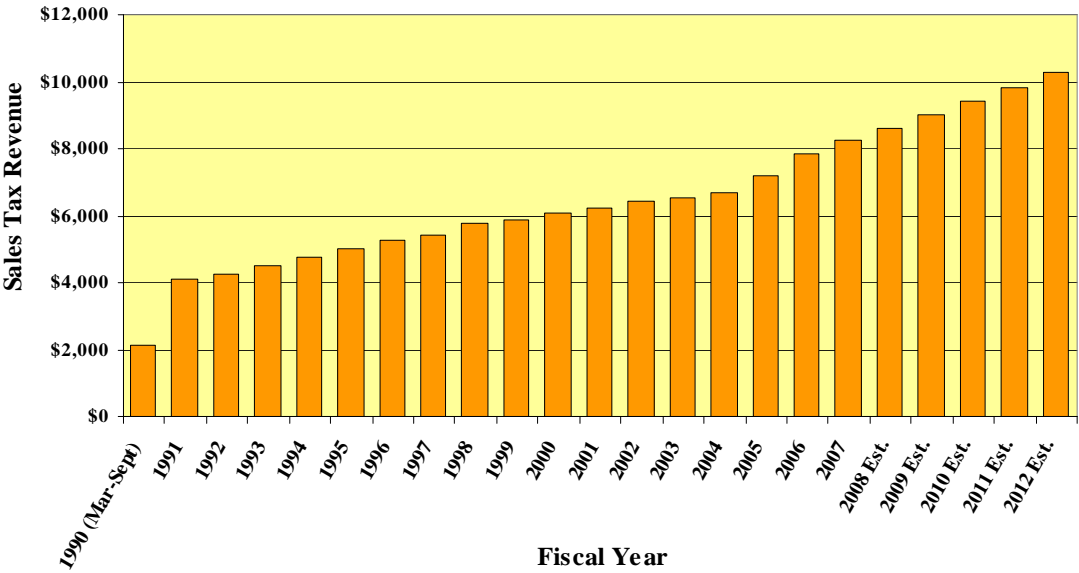
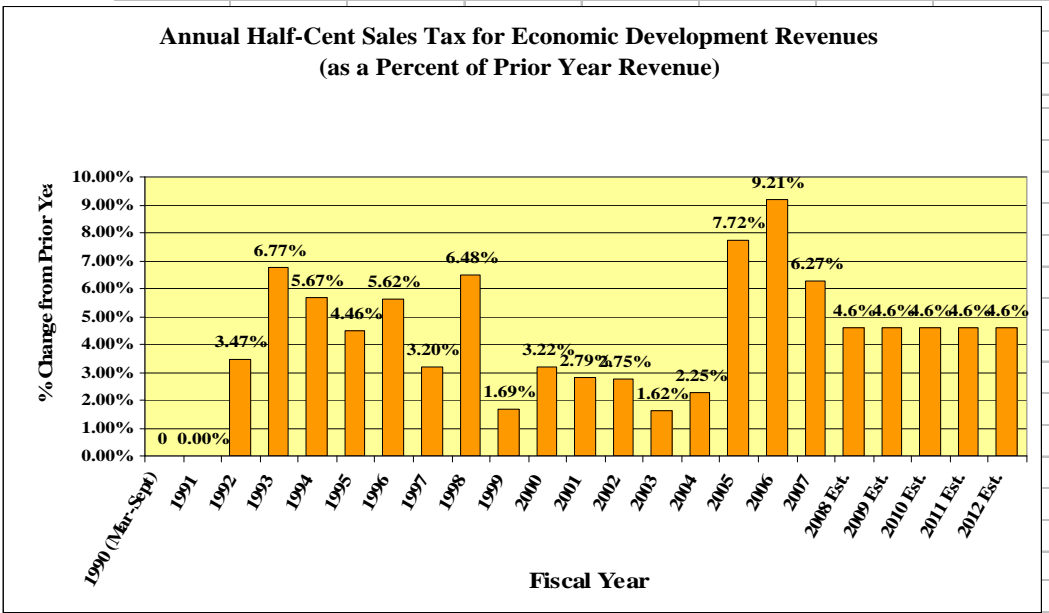
Equals 600 jobs every 5 year period or  
\$60 million capital investment every 5 year period

### Examples of Potential Cost and Impact on 4A Projects

Fiscal Year 2007, ½ cent sales tax rebate was \$8.3 million

10 Year Debt Payment – 22.9% of Tax Rebate

(\$1.9 million)  
15 Year Debt Payment – 16.9% of Tax Rebate  
(\$1.4 million)  
20 Year Debt Payment – 14.5% of Tax Rebate  
(\$1.2 million)



Mayor Archibald opened a public hearing on the proposed project pursuant to Article 5190.6 Section 4A(s)(1-3) of the Development Corporation Act of 1979 and the council heard from the following citizens:

- Dr. Dan Munton, with Abilene Sports Medicine, Dr. Munton stated that he felt that this would be a top notch facility and a practical solution. He is a father of 3 and he would like the council to vote yes.
- Ryan Carlson, Mr. Carlson stated that if the Sports facility is a reality it would allow parents to save time. He stated that they spend most of their time traveling in the summer for leagues.
- Dr. Cole Mitchell Chiropractor, Dr. Mitchell stated that this had been a vision and he is apart of the AYSA. Dr. Mitchell posed the question of how much does the DCOA have and what kind of interest. Dr. Mitchell believes this is a great project and asks that the City Vote Yes.
- Sherri Miller parent, Ms. Miller stated that her son has been in sports and being involved in sports, allowed them to make friends and form bonds. To have one place to call would have been great, to have this type of facility would be excellent. Other people will come and it will offer all kinds of opportunities.
- Jeff Salmon, stated that he has four children and that he grew up here and was glad to move back to Abilene. Mr. Salmon had been apart of Plano Economic Development Corporation and has seen how great things can come about from this type of facility.
- Shannon Seale, on the Big Country Soccer team. Ms Seale is for the Sports facility and believes that this will be great for the City.
- Larry C. Sanders a Director on the Abilene Conventions and Visitors Bureau, Mr. Sanders read two Resolutions supporting the Youth Sports Center.

### Resolution Supporting the AYSA Complex

**Whereas**, the Abilene Convention and Visitors Bureau Board of Directors support the Abilene Youth Sports Authority Complex for the benefit of tourism, and

**Therefore, be it resolved**, that after carefully considering the benefits to the Abilene Community from the creation of the Abilene Youth Sports Authority Complex, the Abilene Convention and Visitors Bureau Board of Directors recommends the City Council's inclusion of the project on the May 2008 ballot for voter approval.

## 2<sup>nd</sup> Resolution on behalf of the Abilene Association of Independent Business Owners

**Whereas**, members of the Abilene Association of Independent Business Owners (AAIBO), being citizens of the Abilene community, are deeply concerned about our youth and their engagement in activities that contribute to their health and character;

**Whereas**, the Abilene Youth Sports Authority (AYSA) has been formed by Abilene citizens who invested significant time, personal finances and resources to closely study community needs, examine options, and develop realistic solutions to address needs; and

**Whereas**, AAIBO membership having expressed support for the Abilene Youth Sports Authority project, AAIBO's Board of Director's met Tuesday, February 12<sup>th</sup> to formally endorse the project; and

**Whereas**, the AYSA Athletic Complex is an important quality of life project for Abilene, and will have a positive impact on Abilene's future. In addition to improving the lives of children, it will attract new families; provide opportunities for Abilene youth to be involved in sports, and showcase the Friendly Frontier in the most positive light; and

**Whereas**, the Abilene Youth Sports Authority has crafted a Business Plan that identifies required facilities, projected costs for those facilities, and developed a comprehensive plan for attracting individual, corporate, and public investment; and

**Whereas**, the requested funding will not raise local taxes, and the economic impact of increase tourism, local sales, and the purchase of local services will provide a superb return on investment and

**Whereas**, AYSA's Business Plan complemented by Mr. Kenneth Musgrave's key contribution of land offers a low speculation initiative that will produce recession-proof, downturn-resistant returns on investment for many, many years;

**Now, therefore, be it resolved** that the Board of Directors and membership of the Abilene Association of Independent Business Owners;

**Hereby**, enthusiastically encourages the City of Abilene to invite its citizens to authorize via ballot the partial funding of the proposed AYSA Athletic Complex using funds generated by the Half-cent Sales Tax for Economic Development;

**Resolved**, that the Association will forward this resolution to the Abilene Mayor and members of the Abilene City Council to bolster their confidence in advocacy for this excellent project.

- Gary Grubbs, with the Sports Alliance, had made the decision to move back to Abilene because Abilene has been forward thinking. He believes that the economic numbers could be very conservative. This sports complex will bring great attention to our city and urged the council to approve the vote.
- Randy Pool, Mr. Pool stated that he was for the project and he worried that there might be a tipping point for the citizens of Abilene with this project and the project of the Abilene Independent School District Bond issue. Mr. Pool stated that he felt both projects were outstanding.

- Tucker Smith, Mr. Smith stated this type of facility will be great for those that don't make the school teams. Vote Yes.
- Kinsey Munton and Emily Turner, asked that the city council vote yes and it will allow teams to play under one roof.
- B J Johnson, a member of the military. Mr. Johnson believes that this complex will allow a venue for the military to go. He believes that there needs to be a centralized place for kids to go and he appreciates the AYSA. Please say Yes and send it to the voters.
- Steve Kirby, stated he had came to oppose the project but after hearing comments he might be for the project.
- David McQueen, Pastor, stated that using money to develop people through Youth Sports is a way to reach the young people. He had concern that youth are spending more time with X-box etc. Mr. McQueen stated that sport builds valuable character and develops future young people.
- Rebel Taylor, has seen positive results from having children involved in sports play. He stated that he has seen a huge success in surrounding cities with this type of sports center; it will draw people to Abilene. Please add to the ballot.
- Andy Esparza, Mr. Esparza grew up here and attributes his success in business with sports. Mr. Esparza believes that this is a worthwhile venture and asked to have this item be put to the voters and give them a choice.
- Cody Stites, Mr. Stites believes that this is a health factor for our kids and he believes this will get children off of the couch and involved in sports. He stated that there is approximately 600,000 children within 200 miles. This project will bring money back to our community and bring teams in. Teams will spend money locally on weekends.
- Bill Black, with Softball team, Mr. Black is concerned that there will be a loss of local leagues. He stated that current teams bring in tournaments now; they play teams from Sweetwater, Haskell and other cities. Mr. Black feels that the Sports Complex will shut down the current Softball and baseball leagues. He is not totally against the project.
- Danny Kittley with Abilene Christian University, Mr. Kittley doesn't feel that this would take away from the Intramural sports but it would enhance the current programs. Mr. Kittley stated that child hood obesity is a very real problem. Say Yes to Vote.



- Mark Haynes, grew up in Abilene, Mr. Haynes stated that having children get active is important. He stated that we enjoy our town and we need to look at many things that can enhance our city. He asked that we continue the journey.
- Myra Dean, is in favor. Ms. Dean remembers a lot of discussion over the Expo Center and it has been a perfect blend of economic value in the community. Abilene Leaders of Tomorrow is in support of the Sports Center. She urged the council to place this on the ballot for May.
- Mark Zachary, Board Member of AYSA, Mr. Zachary stated that there is a low number of kids that are involved in sports. The location for the sports complex is ideal.
- Ed McMahon, stated he was not against the project he just had concerns about the current leagues. He asked that the city improve the current fields. Volunteers help keep the current fields up and some volunteers come from the base.
- Victor Garcia a coach and parent. Mr. Garcia stated that they do 3 or 4 tournaments per year. Having a sports center located here will keep families from traveling as much and will be good for the economy. He feels this will have a positive impact on our community.
- Ray Templeton, has lived here and raised his children here. He stated we can't build it quick enough for our children. This will promote health wellness, and he is very enthusiastic about the project. The project has a lot of potential. Vote yes.
- Steve Keenum with Fellowship of Christian Athletics, Mr. Keenum stated that he loves young people and believes that this is a great opportunity for young people. Young people need a compass.
- Nancy Henderson, retired from Girl Scouts. Ms. Henderson stated that she is a advocate for girls. Girls need to be involved through parks etc. She stated that Hispanic girls have the largest dropout rate from school. This could help them to stay in school.
- Nadene Smith, supports the project and the leagues.
- Seaton Higginbotham with Arrow Ford, Mr. Higginbotham stated he had 10 grandchildren playing. He stated that when he puts on his business hat then this will bring a quality of life in Abilene. This is very important it helps our kids stay off of the streets and will help develop the north side. It is nothing but positive.
- Chris Willerton, Mr. Willerton asked that a traffic study be done at the proposed location. He had several questions about traffic in the area.

- Marka Riddle, Coordinator of the Abilene Right Weigh program. She stated that 42% of kids in our schools are obese. This is important for the health of the children. We need as many venues as we can get. Has a concern about the under served children of our community.
- Bart Bourland parent and coach, a typical cost for a weekend for tournament play can run from \$300 to \$500. From a business stand point it makes a lot of sense. If you build it they will come. Vote for placing on the ballot.
- Bruce Bixby, stated it is a total inspiration and he hopes it is good for all the leagues. Abilene would be the place to come. DCOA funds could be furthered. He believes we can do a lot more.
- Petty Hunter, stated to place the children first. We wouldn't have a weight problem. A lot can happen if you make children 1<sup>st</sup>. Please place on the ballot.
- Jon A Smith, Director of the AYSA. Mr. Smith stated that this project will build on the current leagues. They have seen the struggles in the current leagues and they want to reach more children. They can bring in more events and be a central location for information. They want to earn the trust of the current leagues. This project came from the grass roots level of the local leagues.

Council and staff discussion included: 1) Discussion of the history of the sales tax and the only way to change is by the voters; 2) concern voiced over the expense and revenues for the project; 3) A report from Councilman Spano and Councilman Higgins that they had reviewed line item by line item of the project and they believe that this is a very sound project; 4) a thank you to all that have spoke and the voters deserve a chance to vote; 5) brings flexibility and balance we need; 6) voluntary spirit makes our city great; 6) Deadline for the private funding to be met is March 31, 2010 and 7) a big thank you to Kenneth Musgrave and Horn properties for the donation of the land and infrastructure.

Councilwoman Davis made the motion to approve Resolution Ordering a Joint City General/Special Called Election for May 10, 2008, setting election precincts/polling locations. Oral Resolution approving Election Services Contract with Taylor County Election Administrator. Mayor Archibald read into the minutes a set of conditions set upon the AYSA they follow as presented:

Requirements for 4b election for Youth Sports Authority to be eligible for DCOA funding

- The \$15 million in private funding does not include land and off-site infrastructure
- The \$15 million in private funding will include \$3 million for endowment of operations
- The \$15 million in private funding will be privately financed
- The private funding will be responsible for construction cost overage in the case of the construction bids being too high

- The private funding will be responsible for pledge loss guarantee to the financing institution
- The deadline is March 31, 2010
- The qualifying in-kind services reference will be such that they will qualify as eligible IRS tax deductions by the Abilene Youth Sports Authority
- The size of the building will be approximately 122,000 square feet and there will be approximately 4 Little League baseball fields, 2 Jr./Sr. League baseball fields, 5 softball fields, and 2 football/soccer fields
- There will be board appointments (to be announced) to the AYSA by the Mayor and confirmed by the City Council.

Councilman Higgins seconded the motion, and the motion carried as presented.

AYES: Councilmen Chase, Higgins, Spano, Williams, Councilwomen Moore and Davis, and Mayor Archibald.

NAYS: None

The Resolution is numbered **#4-2008** and captioned as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, ORDERING A GENERAL ELECTION AND A SPECIAL ELECTION TO AUTHORIZE THE ALLOCATION OF ARTICLE 5190.6 SECTION 4A SALES TAX REVENUE FOR THE PURPOSE OF CONSTRUCTING AN INDOOR AND OUTDOOR YOUTH SPORTS COMPLEX AS AUTHORIZED BY ARTICLE 5190.6 SECTION 4B, TO BE HELD IN SAID CITY ON MAY 10, 2008; PROVIDING FOR THE ELECTION OF PERSONS TO SERVE AS MAYOR, PLACE 3 AND PLACE 4 ON THE CITY COUNCIL OF THE CITY OF ABILENE; PROVIDING METHOD OF APPLICATION FOR PLACEMENT OF CANDIDATE'S NAME ON BALLOT; DESIGNATING THE MAIN EARLY VOTING POLLING PLACE; PROVIDING FOR BILINGUAL ELECTIONS FOR CITY ELECTIONS.

There being no further business the meeting was adjourned at 9:30 p.m.

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Danette Dunlap  
City Secretary

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Norm Archibald  
Mayor