

Memorandum



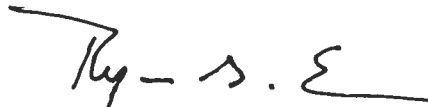
DATE November 30, 2012

TO Members of the Economic Development Committee:
Tennell Atkins (Chair), Ann Margolin (Vice-Chair), Jerry R. Allen,
Monica Alonzo, Sheffie Kadane

SUBJECT GrowSouth: Proposed Economic Development Sports Project for Southern Dallas

On Monday, December 3, 2012, the Economic Development Committee will be presented the, "GrowSouth: Proposed Economic Development Sports Project for Southern Dallas," briefing.

Please contact me at 214-670-3296 with any questions.



Ryan S. Evans
Assistant City Manager

c: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Rosa A. Rios, City Secretary
Tom P. Perkins, Jr., City Attorney
Craig Kinton, City Auditor
Daniel Solis, Administrative Judge, Municipal Court
A.C. Gonzalez, First Assistant City Manager
Forest Turner, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Stephanie Pegues-Cooper, Assistant to the City Manager

*grow*South :

Proposed Economic Development Sports Project for Southern Dallas

Economic Development Committee

December 3, 2012



Overview

- The City's Grow South initiative focuses on addressing economic development within Southern Dallas, including increasing visibility and critical mass through various development initiatives
- Grow South strives to rebrand Southern Dallas, debunk myths and focus investments
- Providing professional sport venues can assist with urban redevelopment initiatives and provide economic growth in terms of job creation and income generation

Purpose of Briefing

- To discuss a proposed world class championship golf course and training facility, located off of Great Trinity Forest Way adjacent to the Trinity Audubon Center and Texas Horse Park
- To discuss the development of the Trinity Forest Golf Course (TFGC) which would include:
 - 18 hole championship golf course
 - 9 hole short course
 - Teaching facility
 - Practice facility

Purpose of Briefing

- To discuss securing:
 - Byron Nelson
 - SMU Golf Program
 - The First Tee
 - Trinity Forest Trails Phase 3



Benefits of Trinity Forest Golf Course

- Such venues serve as a catalyst for national recognition similar to the recognition Dallas receives through the franchises for the Dallas Mavericks and Dallas Stars
- Such venues attract collegiate and other professional and amateur teams
- Raise the sports profile of Dallas by physical attendance at events and visibility through media outlets and live coverage of the events

Benefits of Trinity Forest Golf Course

- Provides professional and collegiate sports venue and increases Dallas' presence in the national sports market through tournament play
 - Byron Nelson attracts 250,000 visitors to watch the tournament
 - NCAA tournaments host 7-10 collegiate teams traveling with coaches, trainers and fans
- Attracts national attention to the City, in particular Southern Dallas
 - Media coverage on various channels – Millions of viewers
 - Traditional television and cable stations
 - Collegiate coverage

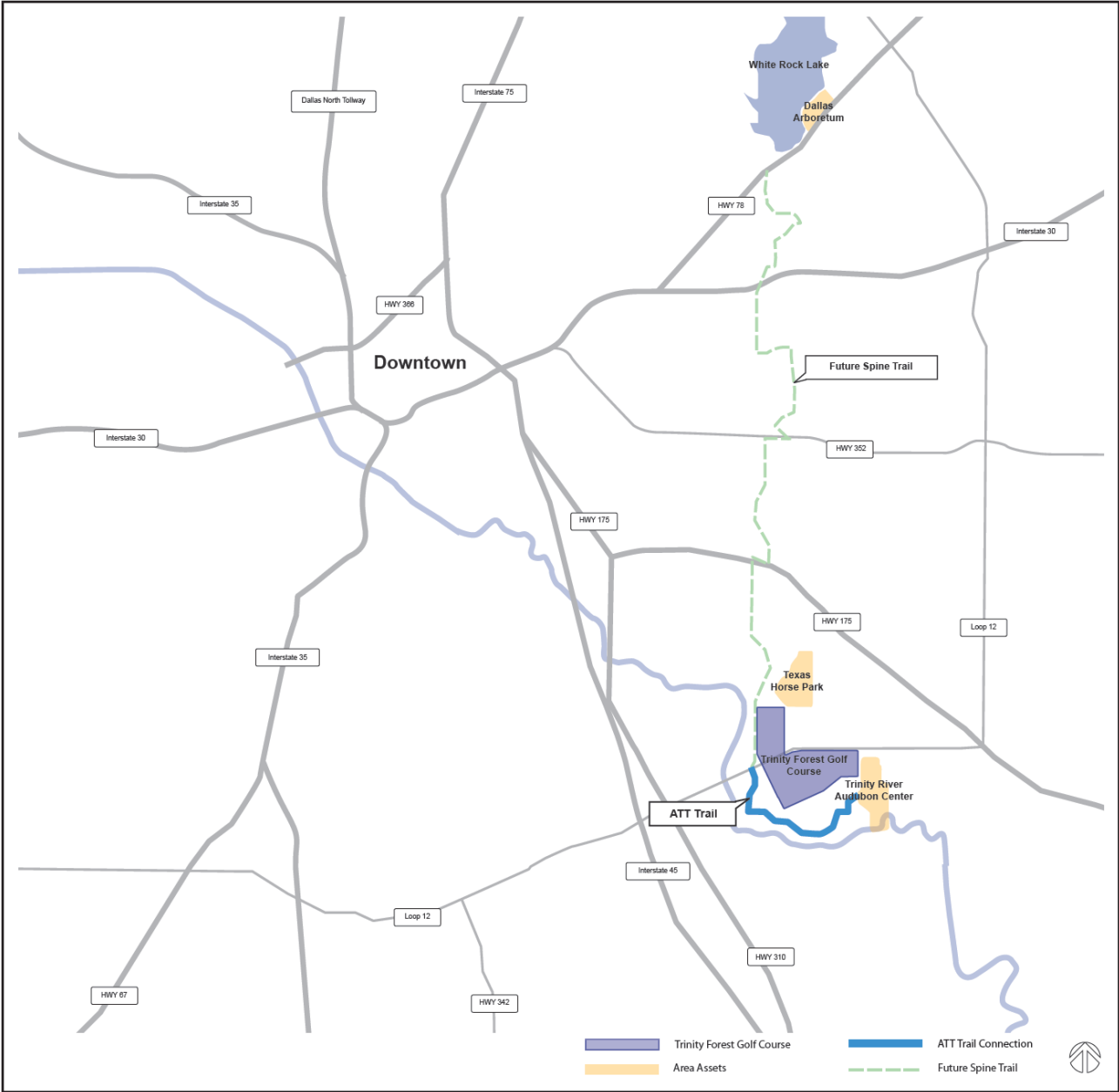
Benefits of Trinity Forest Golf Course

- Provides job creation
 - Daily operations of the course is estimated to employ 75 individuals
 - Tournament play requires temporary labor for 4-12 weeks per event
- Attracts individuals and corporations to Southern Dallas
 - Estimated 15,000 people playing golf annually on course
 - The First Tee program anticipates 1,100 children participating annually

- Acts as a catalyst for future development!

Note: As we continue to develop the agreement, we will solidify economic benefits

Location



Trinity Forest Partners

- Course will be directed by a diverse not for profit board comprised of members from:
 - AT&T
 - PGA Tour
 - SMU
 - The First Tee



Deal Points – Not for Profit Tenant

The Not for Profit tenant would begin development in Spring 2013 and plans to open the course in Spring 2016 under the following deal points:

1. Lease approximately 400 acres from City for forty years beginning with a base lease of \$1000 and increasing to \$10,000 per year upon opening of the course
2. Develop, program and operate the golf complex, consisting of an 18-hole championship golf course, practice range, short course, clubhouse, tournament facilities, The First Tee youth golf program teaching facility, and training academy for the SMU golf team, at an initial development cost of not less than \$20 million for the first phase and any additional cost overruns as a result of construction

Deal Points – Not for Profit Tenant

3. Fund and/or make an additional \$2.5 million in improvements to the City's Trinity Trails Phase 3 with funds from AT&T
4. Secure relocation of the Byron Nelson Championship to the completed golf course and pursue similar tournaments
5. Secure adoption of the golf complex by SMU and the location there of related facilities, activities and events potentially including NCAA tournaments
6. Establish The First Tee youth golf program and related facilities at the golf complex

Deal Points - Not for Profit Tenant

- The Not for Profit tenant would, (con'td):
 7. Provide for and insure that not less than 25% of annual rounds of golf will be available to charitable tournaments and events, educational and youth programming, and/or coordinated public play
 8. Operate, program, repair and maintain the golf complex and understand that all improvements will become property of the City



Deal Points – City

- The City will provide:
 1. Up to a maximum of \$12M to be used for the costs related to the preliminary site work (rough grading), surveying, platting, landfill remediation, wetland and floodplain mitigation, and other roadway and intersection improvements
 2. Assistance with obtaining local, state, and federal permits associated with the site improvements

Development Requirements

The Trinity Forest Golf Course will not proceed with development and construction until:

1. Minimum of \$20M in private funds has been raised
2. Byron Nelson is secured
3. SMU Golf Program is secured
4. The First Tee program is secured
5. City Council approves terms of final lease

Proposed Schedule

The scheduling goals are:

- TFP completes fund raising and partnership commitments by Spring 2013
- Council approval of proposed agreement with TFP in Spring 2013
- Begin construction in Spring/Summer of 2013
- Begin permanent operations by the end of 2016



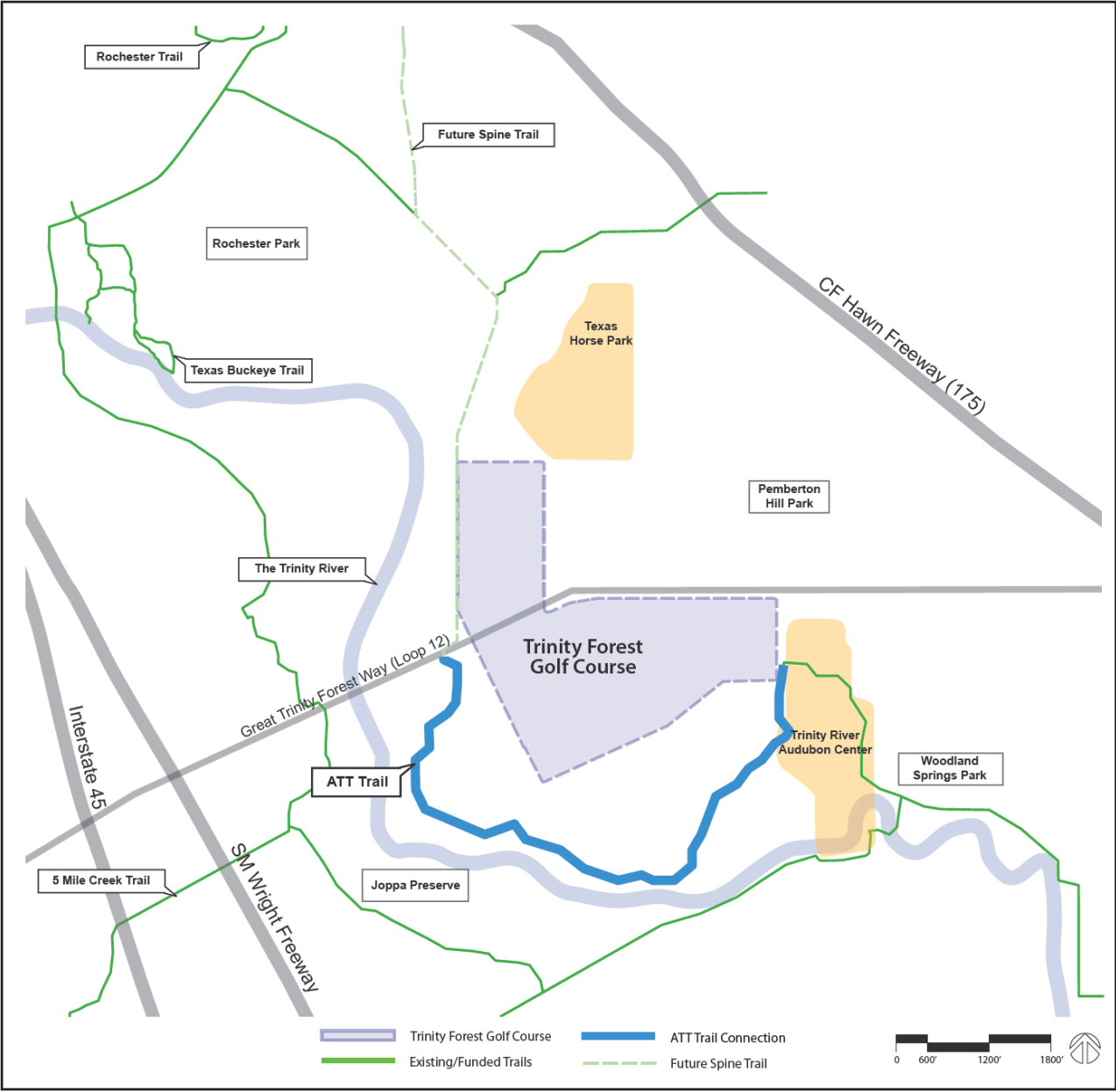
Next Steps

- Brief City Council on December 5, 2012
- Authorize the City Manager to sign a Letter of Intent and complete negotiations to advance the Trinity Forest Golf Course on the December 12, 2012 City Council Agenda
- Expected to complete negotiations in late Winter/Early Spring

Appendix – Site History



Vicinity Map



Site History

- City owns the site for the Trinity Forest Golf Course, known as the South Loop 12 and Elam Landfills on the Simpkins tract
 - South Loop 12 and Elam Landfills are approximately 400 acres of the total 1,415 acres
- Texas Commission on Environmental Quality has issued a notice of violation
- City has been working with TCEQ to address the environmental issues

Site History

- City has completed preliminary design of necessary remedial actions and planned to undertake these improvements in the future
- City has set aside funds to begin remediation on the site beginning in 2013
- Site cannot be improved until completion of these improvements



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