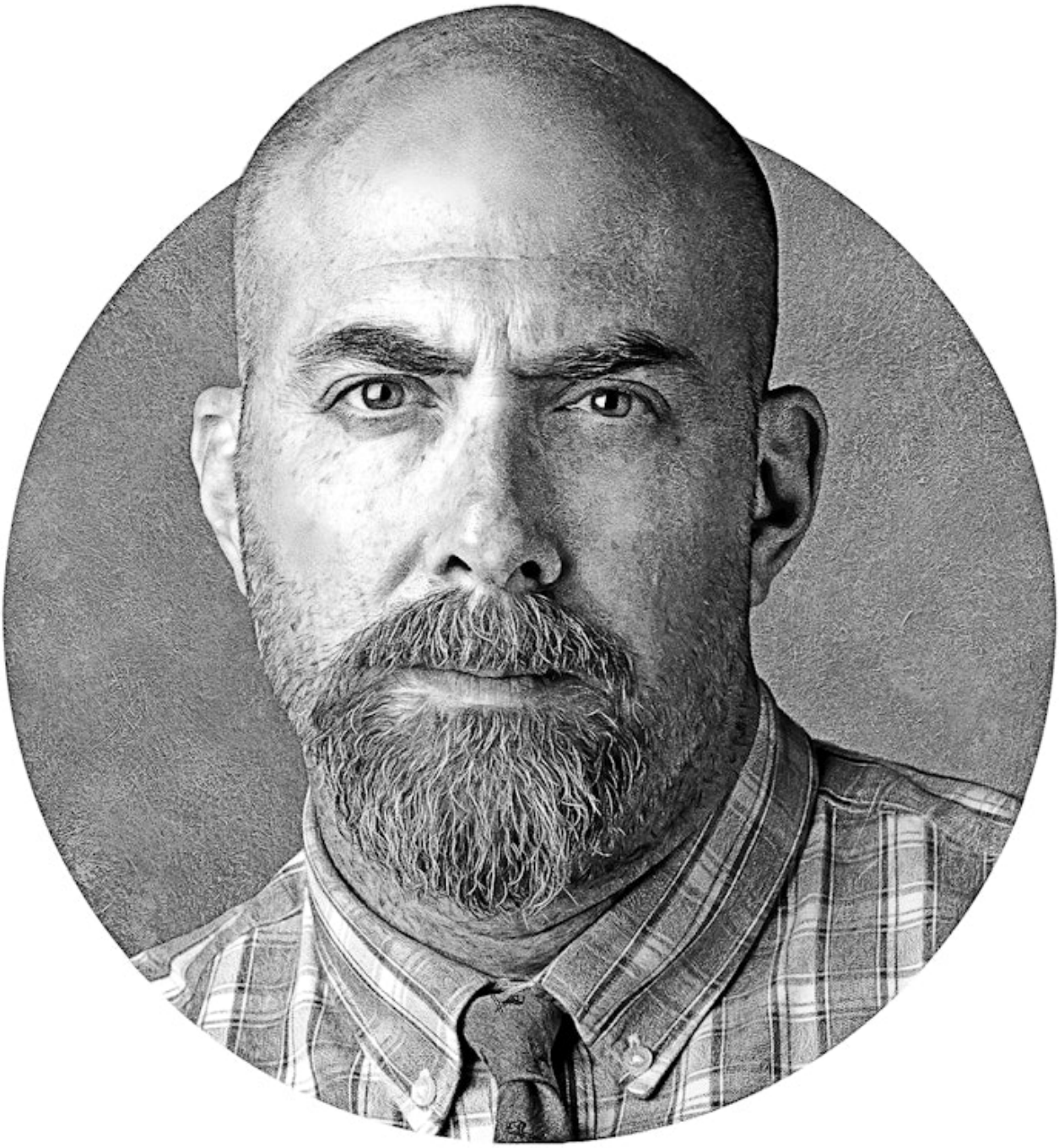
OPINION

Why is city red-carding FC Dallas?

In a battle between the Park Department and the MLS club, newcomer Atlético Dallas might win MoneyGram Soccer Park

MoneyGram Soccer Park off Walnut Hill Lane and Stemmons Freeway in Dallas is a facility crowded with youth leagues and tournaments with an economic impact of about $50 million. Suddenly there's a battle over who will run it. (Staff Photo)

Dan Hunt is president of FC Dallas, which plays in Frisco. Since 2014, FC Dallas has operated and maintained MoneyGram Soccer Park in Dallas. But that's now up in the air. (Staff Photo)



FC Dallas feels like it took a penalty shot to the shorts at Dallas City Hall last week. And I can't say I blame the soccer club. So before this goes any further — which is to say, to the City Council, which is scheduled to vote on this Wednesday — allow me to explain.

Let's begin with the events of last week: On June 5, the Park Board voted to hand over operations of the $31 million MoneyGram Soccer Park, off Walnut Hill Lane and Stemmons Freeway, to something called Atlético Dallas, a soccer team so new it didn't even have a name until last month. It isn't even scheduled to begin playing in the United Soccer League until 2027.

Atlético Dallas will also have one foot in Garland, where the City Council is looking to build the nascent franchise a $70 million, 65-acre complex, which would include the team's training facility.

For more than a decade, MoneyGram has been operated and maintained by a more familiar brand: FC Dallas, owned by Clark and Dan Hunt, sons of Lamar Hunt, who brought professional soccer to town in 1967 with the creation of the Dallas Tornado. In 2011, City Hall asked would-be operators to submit proposals for running MoneyGram, and three years later, FC Dallas got the keys.

By all accounts, the Frisco-based club has done an excellent job keeping up and filling up the 120-acre soccer complex built on a landfill and surrounded by concrete batch plants.

John Jenkins, director of Dallas' Park and Recreation Department, told me Monday that "at the end of the day, we've had a great working relationship with FC Dallas."

According to a statement from Jimmy Smith, FC Dallas' chief operating officer and chief financial officer, that has meant some 500,000 in annual attendance, national and international tournaments, a facility crowded with youth leagues and an economic impact of about $50 million.

Dan Hunt, FC Dallas' president, even made a rare visit to City Hall last month to oppose a proposed concrete batch plant near MoneyGram, which Hunt called "a crown jewel for the city of Dallas."

He said City Hall and FC Dallas have spent "almost $60 million on building, managing and operating" what he called "one of the finest soccer and sports complexes in America — frankly, the world."

But when Hunt was standing at the open mic in May, no one knew the relationship between Dallas and FC Dallas was beginning to fray.

'Mishandled'

In recent weeks, Jenkins and Park and Rec leadership decided to end that relationship and go instead with the newcomers.

In an interview on Monday, Jenkins said FC Dallas has cost the city several million dollars in revenue and grown its numerous youth clubs at the expense of other leagues wanting to use the 19-field facility.

Jenkins broke the news about the Atlético Dallas deal to the Park Board only days before last week's vote. FC Dallas says it found out about the breakup only when a reporter from this newspaper called last week to ask about the city's new hook-up. Smith hustled to City Hall last week to make the club's case, but to no avail.

Shortly after last week's vote, Smith sent Jenkins and the Park Board an email lamenting that the whole affair was "mishandled."

Which sounds like a nice way of putting it.

Long story short, Atlético Dallas is promising nothing but green grass. The team will practice in Garland and play at the Cotton Bowl. But this time, unlike in 2011, the city didn't issue a request for proposals from other interested operators to see if it could get a better deal.

When I asked why not, Jenkins said it wasn't necessary. He said this was actually a three-year lease agreement, "and when we do negotiations for a lease, those are not made public until we're ready to execute the contract."

According to a news release Atlético Dallas issued following last week's Park Board vote, the soccer club won't actually be operating MoneyGram. The team announced that it has "entered into a professional services partnership with Pioneer Sports & Entertainment LLC," which is based near San Diego, Calif., manages a handful of soccer facilities and started operating in 2023.

The name Pioneer Sports & Entertainment doesn't appear once in the resolution going to the council Wednesday.

I told Jenkins this all feels a little too familiar.

'It's that simple for me'

In 2016, when the city was considering a management agreement for Fair Park, which has also been called the city's crown jewel, the city attorney said there needed to be "a competitive process [that] should be open and transparent" before just handing over the keys to the first person to raise their hand.

Atlético Dallas officials did not respond to an interview request but said in a statement posted online last week that "we are optimistic about the opportunity to bring men's professional soccer back to Fair Park and to further invest in the North Texas soccer community."

"We have an opportunity to bring a pro team to Dallas to play in the Cotton Bowl, MoneyGram is part of the deal, and my rec centers will benefit from the deal," Jenkins told me Monday. "It's that simple for me."

At least one Park Board member, Northwest Dallas' watchdog Tim Dickey, has long maintained the city's deal with FC Dallas is "one-sided," tilted toward the team's side of the pitch. That's detailed in a memo Jenkins sent the Park Board last week, which says that since FC Dallas took over the complex on Jan. 1, 2014, Dallas "has incurred $6,932,260 in fees and expenses paid to FC Dallas and in utilities. In return, the City has only earned $766,195 in revenues — a loss of over $6.1M over the term of the contract."

Which, of course, is not how FC Dallas sees it.

In a statement sent Monday night, Smith said the Major League Soccer club has put those millions into "contractually approved capital improvements" at MoneyGram, including "field renovations, irrigation systems and the construction of essential facilities." He balked at "the suggestion that the City 'lost' $6.1 million."

"Those funds were not lost," Smith said, "but invested directly back into the facility."

According to the term sheet going to the City Council, Atlético Dallas will pay the city at least $100,000 annually to run MoneyGram, give the city scheduling control over five of the youth fields and evenly split any revenue made from selling naming and sponsorship rights. Jenkins told the Park Board the club will also install lights at two of those youth fields at the cost of $400,000.

The club will pay $12,500 per game to use the Cotton Bowl — with Dallas promising, for three seasons, to buy 2,500 tickets at $20 a pop for the 20 games scheduled to be played in Fair Park. For those bad at math, that's an incentive worth $3 million, which Park and Rec officials say would come from Convention and Event Services.

Smith told me via email that FC Dallas told the city months ago it was willing to renegotiate its deal, and that its latest proposal "directed 100% of net profits to be reinvested in the City-owned complex or allocated to the City and Parks Department, at their discretion, over the life of the extension."

The fact the Park Board never got to hear this proposal, Smith said, "is really disappointing given our relationship."

So, instead, Smith and FC Dallas officials will make their case to the City Council on Wednesday, even though the item, as of Tuesday afternoon, remained on the council's consent agenda. It should be a good match.

Robert Wilonsky is editorial columnist for The Dallas Morning News.