

## **When Perot's development plans hit resistance in Westlake, a behind-the-scenes battle began that ultimately left the town in pieces.**

**By Miles Moffeit**  
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Westlake could prove to be the case study of Ross Perot Jr.'s power plays.

As Perot fought with town leaders over his grand proposals for developing the Circle T Ranch, which made up half the town, he tapped tremendous firepower: lobbyists, state representatives, a former congressman and attorneys.

Maneuvers were made swiftly and simultaneously on several political and legal fronts, keeping town leaders and others spinning. Accusations flew from all sides. Many of the 250 residents and some leaders accused Perot forces of guiding town aldermen's moves from behind the scenes and of monitoring opponents with surveillance. Perot's team accused those leaders of standing in the way of all development, and denied pulling any strings.

The stunning result: After almost a year of hostilities and incredible twists, Westlake was dismantled and the 2,500-acre Circle T Ranch was placed in the friendlier hands of Fort Worth.

"This is Perot Town now," newly installed Mayor Dale White quipped May 2, the night Westlake lost 90 percent of its property. In July, Perot told the Star-Telegram that four of the five aldermen broke up the town after Mayor Scott Bradley deceived them. Perot said his team did not suggest or orchestrate the disannexation.

"Let's get into court, and let's get under oath," Perot said. "I don't know how many times we could say we haven't done it. We didn't do it."

Days later, however, the aldermen testified that the Perot camp went beyond the suggesting, lobbying and cajoling that most developers deploy.

According to sworn testimony by White and the aldermen, Perot's aides proposed the disannexation plan, provided legal advice to the aldermen, wrote media releases to justify some maneuvers and supplied a draft letter, later typed on town stationery, challenging the town's access to its bank accounts.

Perot now declines to discuss Westlake's dismantling because of ongoing litigation. The conflict has resulted in a dozen lawsuits filed in Dallas, Denton and Tarrant courts.

For Steve Hollern, chairman of the Tarrant County Republican Party, the Westlake blowup raises philosophical questions about what's fair in the demo-cratic process -- and how far developers should go to win approval for their plans.

"The question is, do the citizens have a right to self-determination, or does somebody with more money and legal horsepower have a right to steamroll?" Hollern said. "There was a heavy hand there, working its will on the citizens. It seems like it's a win-at-all-costs attitude."

Shortly after he purchased the Circle T Ranch in 1993 from the Nelson Bunker Hunt bankruptcy estate, Perot tantalized Westlake residents with hints about what he had in mind for the rolling hills and pristine lakes. He mentioned a 20-acre downtown, luxury homes and a championship-caliber, 54-hole golf course. Plans were

announced for a clinic that eventually would expand to a hospital. Perot said an upscale mall would be completed by 1998.

In June 1996, Perot rolled out his plans with elaborate drawings and slide presentations of a "Texas Town" with gated subdivisions, a shopping mecca and a golf course. Zoning for a sports arena was added to the blueprints when Perot purchased the Dallas Mavericks.

Perot asked the town to waive its zoning rules and give him discretion over development. He also wanted the town to eliminate massive filing fees and commit almost \$100 million in tax revenues to pay for roads and water projects.

"It appeared he wanted to throw out all of the regulations that Westlake had and apply his own regulations," Westlake resident Francis Frey recalled. "There's an awful lot of games being played."

Town officials contended that the fine print in Perot's proposals conflicted with his aides' public presentations. They said that the proposal would allow Perot to build 10,000 apartments, in conflict with the Westlake comprehensive plan.

"Other developers have put their proposals on the table and said what they would do," said Don Redding, Westlake planning commissioner. "What we saw with the Perots was entirely different. The pictures didn't match the written form."

Perot officials cried foul, saying town leaders were mischaracterizing their plans.

Then the battle began in earnest.

An early war zone was in Austin, where the two sides dueled over who would control water service within Westlake -- and hence have an upper hand in development.

Perot controlled two powerful municipal utility districts covering the Circle T Ranch. Westlake leaders have wanted them dissolved for years -- and, in 1993, Perot had promised to do just that, they said. When Perot refused, town officials asked state Sen. Jane Nelson, R-Flower Mound, for a bill to kill the districts.

Perot officials said Perot would eliminate the districts only if Westlake agreed to dedicate millions in future sales tax revenue for the ranch's infrastructure. Months later, Nelson asked the two sides to mediate.

Within Westlake, Perot lawyers began to search for weaknesses in the town's legal armor.

They began attending every town meeting, and Perot attorney David Bryant submitted a request for virtually every document the town had, including records on annexations, disannexations and the Westlake Student Housing Corp., a scholarship program for college-bound students in the area.

Bryant soon began lobbing criticisms of town practices.

Westlake officials moved to check Perot by asking the Nelson Bunker Hunt family to dissolve a municipal utility district on land it owned adjacent to the Circle T. But Perot quietly used a middleman, whose role was unknown to the Hunts, to purchase the land by year's end; he won control of the district. The purchase also extended the ranch to the border of Fort Worth.

Perot turned to some influential allies, including former U.S. Rep. Pete Geren, state Rep. Nancy Moffat, R-Southlake, and Jim Francis, a longtime political operative who helped head Gov. George W. Bush's gubernatorial campaign and was a member of Perot's mediation team.

Francis, chairman of the state Public Safety Commission, drafted a bill that could give Perot's utility districts

unprecedented power to control development. Moffat introduced the bill, but it was set aside after town leaders and Nelson rebuked it.

Geren, whom Perot hired in late April 1997 as a public relations consultant on Westlake, began giving advice to four aldermen who sided with Perot.

Later, Moffat announced that she was launching an investigation into the town's housing corporation. She called officials to testify in Austin and criticized Bradley for serving as the corporation's attorney. She introduced a bill, later approved, that would restrict towns of 500 or fewer residents from installment financing arrangements.

Each side proffered a vastly different version of the town's dismantling as the saga attracted national media attention.

According to Perot's representatives, a majority of town aldermen understood that Westlake would benefit from Perot's Circle T development and the tax financing plans. The aldermen came to realize that Bradley had misled them on key points of Perot's plan, Perot and the aldermen say. The aldermen said they discovered that Bradley had tricked them into endorsing a town map that expanded the boundaries to include the Stagecoach Hills subdivision. Only then did they move to remedy the problem and put Bradley on trial, Perot said.

The aldermen came up with the plan to dismantle the town, Perot said this summer.

"The board basically got so upset at the . . . activities of Scott Bradley that they left," Perot said. "And we're shocked that Scott continued to push on all these issues. . . . It all gets down to internal Westlake politics. And it's a shame."

Bradley and the present Board of Aldermen say that when town leaders wouldn't quickly give Perot carte blanche, Perot used political and legal muscle to divide and conquer town leaders, winning the support of some who were looking to sell their land and leave town.

According to Bradley, Perot helped aldermen loyal to his cause devise a strategy to exclude Stagecoach Hills voters from a looming town election. Bradley's supporters say Perot choreographed the aldermen's moves, providing legal guidance as the board replaced the town attorney with a lawyer who had worked for Perot.

In early May, the aldermen disannexed the Circle T and other properties. Within a day, Fort Worth claimed most of the properties into its extraterritorial jurisdiction -- made possible, in part, when Perot extended the ranch to Fort Worth's borders several months earlier with the 500-acre purchase.

"We just feel like we've been run over at every turn," said Ruby Held, a Bradley supporter.

Fort Worth also agreed not to annex the aldermen's properties for 15 years, as the aldermen had requested. The move will keep their land free of city property taxes for that period.

Bradley supporters say they feared that Perot forces were monitoring their every move. Believing that their houses might be electronically bugged, Westlake residents used whispers and scribbled notes during strategy sessions.

"Everybody's goosey," Redding, the planning commissioner, said at the time. "We don't know what to expect around the next corner."

"Private detectives were seen outside the homes of town officials. As Held, wife of Alderman Fred Held, was bird-watching one morning with binoculars, she spotted two people watching the Held house from a van. She said it was the same vehicle she had seen days earlier outside Bradley's house.

The van is registered to Jerry and Cherry Davis, private investigators who live in Irving. Jerry Davis, who operates DBS Investigations, acknowledges "driving through" Westlake during a period of several months, but he denied conducting surveillance for Perot or his companies.

"I've been looking for property; I own a lot of pieces in different places," said Davis, who acknowledged having worked "in the past" for Hughes & Luce, Perot's key law firm.

Perot told the Star-Telegram that he had never heard of the Davises and that he has not hired investigators to spy on Westlake officials.

Legal observers say it may be years before the courts sort through the legal issues involved in the town's collapse. Westlake has been mired in a political and legal twilight zone, where residents aren't sure who their mayor is or whether their town even exists.

Some officials in other cities say they already have learned from Westlake's chaos, even as they line up to win Perot's favor.

"We want to work with him, but I've told him we need to work together," Northlake Mayor Michael Savoie said. "I told him before we sat down, 'I don't want Northlake to become another Westlake.' "

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