

**To:** Professor Gen  
**From:** Lindsay Hershberger and Sean O'Shea  
**Date:** July 5, 2006  
**Re:** The policy debate over public funding of professional sports facilities

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The purpose of this paper is to present the political environment, current status and prognosis regarding the issue of public funding of professional sports facilities. This paper outlines the arguments in stadium debates, details the history of these municipal stadium decisions, and synthesizes information from numerous cases by highlighting the common themes. The policy arena of these aggregated stadium decisions is currently entrenched in the evaluation stage. Two specific cities, Chicago and Cleveland, are examined in detail as case studies to illustrate the stakeholders, conflict, and ultimate policy outcome of the stadium debates. This policy issue is best explained through the lens of Putnam's theory of elites, Edelman's theory of the symbolic use of politics, Simon's theory of bounded rationality and Kingdon's theories of policy streams. These policy models and frameworks will be used to elucidate the conflict over publicly-subsidized sports facilities. Finally, a prognosis is presented, which asserts that municipalities will continue to subsidize professional sports facilities because of the rationale of the civic benefits that stem from the presence of a major league sports team, as well as 'major league status.' Despite the proliferation of economic impact reports that point toward the questionable benefits derived from these facilities, cities will continue the trend of supporting them with public dollars.

## **Introduction**

In many cities, professional sports facilities represent a significant public subsidy, one that is unparalleled elsewhere and has become the subject of increasing controversy over the past several decades (Keane, 1996). Because of the monopoly that professional sports leagues have, sports franchises (teams) are able to utilize the threat of moving to another city as leverage to extort cities, and in some instances states, to fund or subsidize the construction and operation of new facilities. The trend of public funding for these venues has been consistent throughout the past 30 years, and the great stadium “swindle” (Cagan and deMause, 1998) shows few signs of ceasing. This public policy issue primarily falls in the realm of urban economic development, as these projects are touted for their potential economic and civic benefits to cities.

The purpose of this paper is to analyze the political environment of the policy debate over public funding of professional sports facilities. This issue is on the public agenda because of the high incidence of these stadium battles, as well as the exorbitant public subsidies that pro sports teams are able to secure for their new facilities. In other words, incidence and costs are the agenda triggering mechanisms. Furthermore, the questionable rationale for such subsidies and the considerable opportunity costs of spending this money on sports facilities and not on many, potentially worthier municipal projects makes these stadium decisions an important public policy issue.

These stadium battles occur in cities across the nation, and may seem like discrete incidents; however, a crucial linkage between them is the way in which decision makers utilize information from previous stadium decisions when considering their own stadium projects. This is particularly troublesome because existing information, such as economic impact reports, is often flawed or biased and can easily be misconstrued (McConnell, 2000). Another crucial

linkage is the domino effect that can be observed when one sports franchise leaves its home city for a more lucrative deal in another city. Other teams are then spurred on by these migrations. Because of the political threads that are common throughout most stadium debates, it is critical to examine these decisions at the aggregate level.

### *Arguments in Stadium Debates*

The policy debate is over the appropriateness of these public subsidies for pro sports facilities. Proponents argue for the economic development benefits, in particular the multiplier effect, that stem from a new, state-of-the-art facility. New stadiums will provide direct economic benefits to the local community and can be used as part of a central civic development or redevelopment strategy. Proponents claim that stadium-goers will infuse high levels of new spending in the region, provided that the facility is surrounded by appropriate retail and restaurants and nightlife. Stadium construction will also create a large number of new jobs, and more jobs will be available during facility use (Swindell and Rosentraub, 1998).

The second and more prevalent argument *du jour* in favor of publicly financed sports stadiums is that new stadiums will benefit the way in which a community views itself and is perceived by others, what the authors of *Public Dollars, Private Stadiums* call “community self-esteem and community collective self-conscience” (Delaney and Eckstein, 2003, p.5). To city officials, this self esteem is translated into “an intangible civic asset called ‘major league status’” (Bernstein, 1998). The benefits of “major league status” include civic pride, a high-profile image and identity and national and even international publicity. Advocates for publicly funded facilities claim that the image of many cities is frequently defined by their high-profile teams and sporting events (Swindell and Rosentraub, 1998). Ten years ago, Charlotte, NC was not considered a ‘big league’ city, but now by some measure it is because the NFL and NBA have

put franchises there. Whether or not this makes sense, cities invariably believe it (Swindell and Rosentraub, 1998). There is no shortage of cities wanting to be the next Charlotte.

On the other hand, opponents argue that public money is better spent on projects such as education, social services, or other dire needs present in most cities. They also question the real economic effects, both direct and indirect, that are touted by proponents. Some opponents simply do not comprehend or support the public funding of a private enterprise that is capable of funding such capital projects in the private market. Additionally, in many cities, the construction of a new sports facility displaces the residents of the chosen site, and often prices them out of their communities by spurring development that is not oriented toward the existing community.

## **The Policy cycle**

### *Where and Who*

The policy arena for these debates is generally confined to the local level. City legislatures typically adopt the policies that provide the public funding. Governors and state legislatures may become involved in these decisions as well, and in some instances, policies are adopted at the state level to supply state money to fund pro sports facilities; this makes the economic impact of the stadium deal reach beyond the local to the state level, as all citizens of that state may then be implicated by the decision to use state money.

A key point is that in most cities and states, these stadium proposals are subject to a public referendum; thus, the public often has the ultimate say. However, these referenda campaigns are heavily influenced by special interests (stadium boosters). For example, in Seattle, Microsoft Executive Paul Allen (owner of the NFL franchise, the Seahawks) funded the statewide referendum for a new publicly-funded football stadium entirely by himself at a cost of \$4.2 million, making it the most expensive initiative campaign in state history (Cagan and

deMause, 1998, p.167). The politics of these referenda will be examined in more detail in the Stakeholders section.

### *History*

A timeline of key stadium decisions is presented in Appendix 1. Cleveland Municipal Stadium was the first publicly funded professional sports facility in 1932; however this was an anomaly at the time (Keane, 1996). The era of rampant public subsidization of these facilities did not truly begin until after World War II when sports facilities began to be viewed as “legitimate public works projects and centers of civic pride” (Keane, 1996, p.2). The advent of public funding also came as the result of the first era of sports franchise migration, from 1952 to 1968. During this time more than a dozen sports franchises took up residence in new cities (Cagan and deMause, 1998). Previous to this, pro sports teams remained in their home city, played in privately owned and funded facilities, and generally wanted little public involvement in their business affairs (Swindell and Rosentraub, 1998).

Later, as publicly funded facilities became more common, teams paid rental fees to offset the public sector’s capital and operating costs. The current standard is for cities, counties and states to use a combination of broad-based taxes and local sales taxes, cigarette taxes, car-rental and motel taxes to repay the debt incurred by building new stadiums. Meanwhile, team owners retain nearly all revenues generated in the facility. Privately built facilities, such as San Francisco's AT&T Park are certainly the exception (Swindell and Rosentraub, 1998). Now, the accepted belief by owners of professional sports teams is that the best way to raise their revenues is to get a new facility, so that they may capture all its revenue streams.

### *1986 Tax Reform Act*

The 1980s saw a proliferation of these municipal stadium debates, and this prompted involvement from Congress. According to Bernstein (1998), “[c]ongress became concerned that that too much public money was being spent to build new sports stadiums.” The 1986 Tax Reform act included two modifications to the tax laws that had implications for professional sports teams. First, the Act attempted to limit the use of municipal bonds that benefited private businesses by lowering the threshold for tax exemption. “A bond was tax exempt only if less than 10 percent of the revenues went to private business and the business used the facility less than 10 percent of the time” (Bernstein, 1998, p.4). Second, sports facilities were removed from the list of exempt private-activity bonds. To circumvent this, municipal leaders began granting concessionary stadium leases and committing limited government revenues to repay the stadium debt. Despite Congress’ efforts to curb these public subsidies, city and state politicians continued to bow to the demands of sports franchises. The 1986 Act also prompted cities to hand over most stadium revenues to teams in order to retain the tax exemption (stadium revenues could not be used to repay the debt since teams used stadium more than 10 percent of the time) (Bernstein, 1998, p.4). Congress’ actions only made the degree of subsidization of professional sports facilities more severe.

### *Progress through the Policy Cycle*

These stadium decisions are discrete events that take place in many cities. Thus, at any given time there is a stadium debate progressing through the various stages of the policy cycle. However, when examining the policy arena of aggregated stadium decisions, the definitive agenda-setting event appears to be the construction of the Hoosier Dome in Indianapolis. The idea for a publicly funded sports facility in Indianapolis was conjured up by business and

political leaders in the mid 1970s. At that time, the city was in the midst of massive publicly-funded redevelopment of their downtown area. At that time, Indianapolis did not even have a football team. By 1982, Hoosier Dome was underway for \$78 million to be financed by a countywide tax on food and beverages (Cagan and deMause, 1998, p.4). It was then that the mayor of Indianapolis struck a deal with the Baltimore Colts (NFL) to entice them to leave their home city and play in the new Hoosier Dome. Despite a counter-offer by Baltimore, the Colts left in 1984.

This was a milestone event for it was the first time that a team had left its city amidst widespread support from its fan base. The Colts' departure was motivated purely by profit (Cagan and deMause, 1998, p.3). This event stirred the public's attention to the issue of teams' leveraging their power over municipalities, and it set off a domino effect. The Colts' departure had an immediate impact on the political climate in Baltimore. The Mayor began a campaign for a new stadium for Baltimore's baseball team, the Orioles; this was a campaign, which despite citizen opposition was victorious and resulted in the publicly-funded Oriole Park at Camden Yards (Cagan and deMause, 1998).

#### *General Flow through the Policy Cycle*

These stadium decisions are typically placed on the municipal agenda by team owners, who demand a new facility, or by city politicians, in particular mayors, who see the new stadium as a catalyst for economic growth. Formulation takes place behind closed doors as stadium boosters, team owners and politicians hash out the details of a new facility. The legislature and often bond lawyers become involved in the terms of the public funding or subsidization during the formulation phase. In most cities, there is some process of economic impact review, although the quality of these reviews is questionable. These economic studies are usually

contracted out and conducted by private firms, which may already be predisposed to give a favorable analysis. The adoption phase is generally twofold: a public referendum, and if successful, subsequent adoption by the legislature. Implementation is handled as a joint effort between the city and the stadium contractor. Finally, evaluation is typically done by interested scholars and academics.

### *Current Status and Stage in the Policy Cycle*

In general, the policy arena of aggregated stadium decisions seems to be in the evaluation phase, since after decades of numerous publicly-funded sports facilities, scholars are currently focusing attention on retrospective impact studies of these projects. The past decade has witnessed the proliferation of such economic impact studies, which have revealed that the direct and indirect economic benefits from these facilities are dubious. According to Swindell and Rosentraub (1998),

Across three decades, a small group of scholars has concluded that neither teams nor the facilities they use are a source of substantial or even meaningful economic development. . .this research has gained a level of acceptance among some of the larger consulting firms that cities retain to analyze the benefits from teams (p.3).

Many scholars have undertaken studies that scrutinize the claims of the multiplier effect that stadium boosters claim will come from a new stadium. Other scholars have undertaken studies that scrutinize the claims of the intangible benefits. One such study by Swindell and Rosentraub (1998) sought to answer the question of whether public subsidies of stadiums are justified because of the intangible benefits that redound to the public from the presence of a pro sports team.<sup>1</sup> The authors conclude that while there was evidence of such intangible benefits, these benefits were bestowed upon the team, the owners and the fans. Thus, they advocate for a

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<sup>1</sup> Swindell and Rosentraub (1998) administered a survey to more than 1500 respondents in the Indianapolis metro area; the survey was designed to measure the intangible benefits of Indianapolis' pro sports teams as compared to other cultural attractions.

funding scheme for these sports facilities that obligate those who patronize it via a “special user tax district” (p.1). Despite these studies, many elected officials and sports boosters choose to ignore the findings. However, the incidence of these studies points to the potential for there to be more informed stadium decisions.

## **Stakeholders**

Appendix 2 presents an overview of the general categories of major stakeholders in stadium debates. While preferences may differ depending on the city, the table summarizes the range of most commonly held preferences.

A significant part of the adoption phase of nearly all stadium debates is the public referendum. Voters, when asked directly whether they would fund a sports facility, are increasingly refusing, as residents of Minneapolis, Pittsburgh, and San Francisco (49ers stadium) have done. “San Francisco voters struck down six public financing initiatives for a new Giants ballpark before the team owners finally agreed to finance a stadium themselves – the first 100% privately financed stadium in 30 years” (Morris and Kraker, 1998). Despite clear voter reticence to fund private stadiums, teams and cities are persistent in repeatedly placing stadium referendums on the ballot, waiting for a winning season to get fans and voters caught up in favorable climate. Teams also often use the press, via newspaper editorials, to sway the public (University of Minnesota, 1998). Newspapers have a lot at stake in a city landing or retaining a pro sports franchise and seek higher readership and a developed sports page and direct team advertising revenues.

To better understand the conflict among stakeholders in stadium debates, the following two case studies will be explored: 1) The fight over a new Comiskey Park in Chicago, home of

the Major League Baseball's White Sox, and 2) The fights over new stadiums for Major League Baseball's Indians and the National Football League's Browns, both in Cleveland.

*Case Study #1: Chicago's Comiskey Park*

A landmark stadium fight occurred in Chicago when the White Sox baseball team threatened to leave town without a new, publicly-funded baseball park. The Sox' home, Comiskey Park, had historical and sentimental value to many fans; nonetheless, it was ultimately torn down and a new stadium was built using funds from the state of Illinois.<sup>2</sup> This battle is notable for the strong grassroots movement of citizens who fought against the ballpark proposal and were eventually beat (basically steamrolled) by the team owners, the major league, and ballpark boosters (Cagan and deMause, 1998). This case demonstrates what often happens in these stadium debates: big money and lobbying successfully sway the legislature, even in the face of demonstrated, strong citizen opposition. Appendix 3 presents the major stakeholders involved in the Comiskey Park battle.

An important part of the opposition's campaign was their press strategy. "The idea was to make enough noise and be irritating enough that you could eventually blow the deal" (Cagan and deMause, 1998, p.130). The group held protests at Comiskey and City Hall. The ensuing struggle included a publicized battle, an appeal to Chicago's Mayor, and a fight in the judiciary over the civil rights of the residents of the proposed ballpark site. The Mayor was largely unresponsive to their cause because he was motivated by a deep need to keep the White Sox in town. In the end, intensive lobbying by team and league officials and the pressure of their threat

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<sup>2</sup> When in the mid 1980s, the new owners of Chicago's White Sox Major League Baseball Team began to voice their dissatisfaction with their ballpark, 75-year-old, Comiskey Park, a few local fans became alarmed and formed the citizens group Save our Sox (SOS) to advocate for saving historic Comiskey Park, retaining the Sox, and opposing corporate welfare in the form of a new, publicly-subsidized park. SOS was joined by another opposition group - the South Armour Square Neighborhood Association (SASNA) - a neighborhood group formed to oppose the location of the new park in their South Side neighborhood. SASNA was comprised of residents of South Armour Square, a primarily low-income, elderly, African American neighborhood (Cagan and deMause, 1998).

to move the White Sox worked on the Illinois State Legislature, who approved construction of a new publicly-funded stadium. (Cagan and deMause, 1998) In this case, as in many others, team owners (elites) are able to successfully exert their power (threats) over formal decision makers. They are also aided by the political climate; in most cases, this is politicians' strong desire to retain a major league team.

### *Case Study #2: Cleveland*

Appendix 4 presents the major stakeholders involved in Cleveland's stadium battles.

The City of Cleveland recognized in the early 1980's that its Municipal Stadium, built in 1932, no longer could reasonably accommodate both its tenants, the Indians and the Browns. Dubbed the "Mistake by the Lake," Municipal stadium was cavernous and better suited for football, so developing a plan to create new park for the Indians became the City's priority. While proposals for a domed stadium paid for by countywide tax voted down by voters in 1984, the City moved to acquire land adjacent to downtown in consideration of a potential stadium site.

When Mayor Michael White was elected 1989, he quickly joined with other elected officials and Cleveland Indians owner Richard Jacobs to propose a downtown development strategy that centered on the sports industry. The Gateway Project, as it came to be known, would center housing, hotels, restaurants, entertainment venues around the new Indians stadium "and a new basketball arena to lure the Cavs (NBA) to downtown from Cleveland Suburbs" (Rosentraub, 1997, p. 258). The Gateway project was modeled after Baltimore's early 1990's sports centered economic development strategy on Camden Yards, the Orioles' baseball stadium. Because the City owned the land, it faced no opposition from neighborhood groups, the only real hindrance to the project was funding.

The Gateway Plan called for a combination of public and private support. The most important cog was a 15-year Cuyahoga County sin tax, approved in 1991 by a close countywide vote. While there was little organized opposition, the reticence of the public to support any tax increase is illustrated by the fact that more City of Cleveland residents actually voted against the sin tax but were outvoted by the county (Rosentraub, 1997, p.293). The Indians offered prepaid leasing on their luxury boxes, and the City sold the naming rights to the stadium to the owner, Richard Jacobs. The Gateway Economic Development Corporation was set up as a public-public partnership that handled funds raised and managed all development (including stadiums) in the designated downtown area. With a supportive city leadership that viewed sports as a means to economic success, and slim approval by the voters, Jacobs Field opened in 1994 to sold-out crowds in downtown Cleveland.

### *Browns*

Sunday after Sunday, for 20 years, Cleveland Browns fans sold out an aging 70,000 seat Cleveland Municipal Stadium to root on their team. Unfortunately, sold-out crowds and loyal fan support are not enough to satisfy the professional sports team owner's desire for higher revenues. In the mid-1990's, Browns owner Art Modell, envious of the public funding for the Indians' Jacobs Field, demanded a new football-only stadium with luxury boxes. The City of Cleveland counter-offered \$175 million to refurbish Municipal Stadium and add luxury suites; however it was not enough to appease Modell (Morris and Kraker, 1998). In 1995, he announced that he was moving the team to Baltimore, MD.

Baltimore and the state of Maryland had offered a package that was hard for the Browns to resist and hard for Cleveland to compete with: a brand new \$200 million stadium paid for by a

dedicated state lottery; \$30 million annual revenue on all luxury suites, all proceeds from concessions, parking and ad signs, and \$75 million in moving expenses (Gillespie, 1996).

The City of Cleveland sought to fight Modell and the NFL about the move. Although the NFL wanted the Browns to remain in Cleveland and eventually get a new stadium, the league was powerless to stop the team from going to Baltimore. However, they came up with a unique settlement. As part of the fallout from the move, the NFL assessed the Browns a \$29 million relocation fee, and a \$12 million payment to the City of Cleveland (Vroman, 1997). Cleveland was promised an expansion team by 1999 and was allowed to keep the team colors and name, “Browns,” but the City was obligated to spend \$175 million on a new stadium for the 1999 season (Vroman, 1997). Cleveland’s team would take up the history of the Browns and Modell’s team that was renamed the Ravens would be regarded as a “new” team. While Cleveland got their team back, they were forced to spend \$175 million for the privilege.

Cleveland’s situation is particularly interesting because the city decision makers used different justifications in adopting public stadiums finance programs. In the Indians case, city and county officials joined forces with team owners to present to the public a new stadium as an economic strategy. Ultimately, their argument was persuasive enough to pass a county wide tax to fund the project. With the Browns, the city’s identity was so tied to the franchise, and public support was so strong to obtain a new football team, that the city was willing to commit directly to the NFL to spending its own funds for a new stadium.

## **Process Models**

### *Theories of Agenda-Setting*

Putnam’s theory of elites and Edelman’s theory of the symbolic use of politics are relevant to stadium debates. Almost universally, it is the elites who place the demand for a new

publicly-subsidized sports facility on the agenda. Most commonly, the team owners conspire to extract public subsidies from their city leaders, and they generally gain support from Mayors and even Governors in this plight. They use the threat of moving their team to another city or state to garner the cooperation of already-willing politicians. Politicians then use the argument of civic pride or ‘major league status’ to sway the legislature and the public to support these exorbitant subsidies. The civic pride argument is powerful, and the symbolism employed, such as images of home team games, often elicits the intended response from the public.

According to [Edelman], the mass public responds willingly and primarily to clear symbols and assurances, not to rational facts and does not choose to analyze data or compare political action(s) to reality, but prefers a proven regimen of symbolic political forms that manipulate and shape their wants and their acquaintance with their perceived realm of possible outcomes (Davis’ Review of Edelman).

Edelman’s observation is particularly applicable in this policy issue. Often, politicians and the public simply do not want to review the facts about the impact of sports stadiums upon their community development, economic development and job creation. Instead they are swayed by the symbolic politics of home-team pride.

### *Rational Choice Theory*

Rational Choice Theory does not apply in most stadium decisions. Rational Choice holds that “decisions are made under conditions of perfect information, perfect understanding and recall” (Briley’s Review of March). This model emphasizes a linear approach to decision making, as well as systematic review of the costs and benefits of alternatives. Stadium decisions do not seem to proceed in this fashion. Even when presented with evidence of the questionable benefits from a new stadium, political decision makers often ignore this and support stadiums regardless. “...people who make decisions about these [stadiums] say to themselves that we believe there is an economic impact because we really can’t take the chance that there isn’t one” (Cagan and deMause, 1998, p.41).

### *Bounded Rationality*

Herbert Simon's measured model of rational choice theory, bounded rationality, may be an accurate policy process model when considering cities that choose to spend public funds on sports stadiums based on a desire to achieve 'major league status.' Simon challenges the classic rational theory and contends that in the real complex world, individuals cannot possibly process or even obtain all the information they need to make fully rational decisions. Rather, they try to make decisions that are good enough and that represent reasonable or acceptable outcomes.

Simon describes the results of this less ambitious view of human decision making as "satisfice," looking for a course of action that is merely satisfactory or good enough (Simon, 1947, p. 119).

To cities that are just trying to put themselves on the map, merely obtaining a pro sports team fits Simon's "good enough" criteria. These cities do not demand an economic return via downtown development and may very well lose money in their stadiums deals.

### *Policy Streams*

Kingdon's theory of separate policy streams operating to influence policy decisions is very applicable to the issue of public funding of professional sports facilities. In some cities, the Mayor or city legislature decided that they wanted a new sports facility to function as the locus of economic development, even without having a professional sports team! In other words, the solution (new stadium) was floating around without an actual problem (demand for a new stadium by an existing sports team, or threat of the team leaving the city). As Kingdon explains "[s]olutions are developed whether or not they respond to a problem" (Buchsieb's Review of Kingdon).

### **Prognosis**

As MSNBC analyst and former ESPN Sportscenter anchor Keith Olbermann puts it, “if you can always turn to ‘Uncle Nashville’ for a better offer, you can always threaten your city” (Babington, 1995). Public officials in both cities that host teams and those cities that seek teams have to weigh how much public finance is the investment worth. Studies are increasingly showing that stadiums, even as part of downtown revitalization packages, are not conclusively economic boosters. Pro football teams only play eight homes a year. “How much value can a \$200 million stadium bring to a city if it goes unused 357 days a year?” (Bernstein, 1998) While adding a team may increase the mix of recreational options for residents, “many economists note that most of the expenditures by fans are merely a transfer of their discretionary recreation dollars from other activities (Swindell and Rosentraub, 1998).

Even though examples are prevalent that the costs of professional sports teams are high and perhaps not fiscally sound investments, cities continue to try and woo teams away or land expansion franchises. Host cities must face the reality about stadiums and arenas; that once they are built, they are fixed in place, while the teams that use them are potentially mobile (Quirk and Fort, 1999, p. 7). Even cities that loved their home teams and rewarded them with years of sellouts, such as Cleveland with the Browns, and Oakland with the original Raiders, feel the need to maintain big league status and compete with other cities who view professional sports as a means to put their town on the map.

The City of Oakland is a prime example of the potential high price to pay for professional sports exposure and may offer a look into the future of the public financing debate. Oakland’s pro baseball franchise, the A’s, who share the Coliseum stadium with the NFL’s Raiders, claim to have been hampered by the ballpark refurbishments needed to accommodate the Raiders’ 1995 return and have talked about the need for a new baseball-only stadium. The City of

Oakland, however, is still on the hook for \$20 million annually on stadium refurbishment debt, having, cannot offer any public financing towards a baseball-only stadium (Dickey, 2004).

The new A's owners have publicly recognized the struggle that Oakland is going through and have presented a unique notion of how to pay for a stadium without seeking a direct contribution of public funds while avoiding the burden of paying nearly all stadium costs, as the Giants did with AT&T Park. From local government, he wants "entitlements," or development rights (Witt, 2006). Primary A's owner Lew Wolff is targeting land that would increase in value substantially if a government entity were willing to rezone the property or approve a more profitable type of development. He seeks not just room for ballpark, but the surrounding property for development of hotels, housing, and restaurants around it. Oakland has looked a few sites within city boundaries, but so far has refused to use eminent domain to claim properties for transfer to the A's. Meanwhile, the A's are looking elsewhere in Alameda County, to the City of Fremont, whose city council has approved two potential sites for a proposed ballpark and is happy to trade land entitlements to land the A's (Witt, 2006).

The case of the A's and team owner Lew Wolff's proposal may be a model for the next step in the public stadium issue. As cities increasingly find that the economic returns on stadium centered developments are negligible, there is less incentive for them to sink money into sports projects. However, cities still feel the need to compete for the prestige and status that professional sports bring. Public-private partnerships such as the A's scenario, where the city provides the land and the team privately develops the stadium and surrounding property, may become a new path of compromise.

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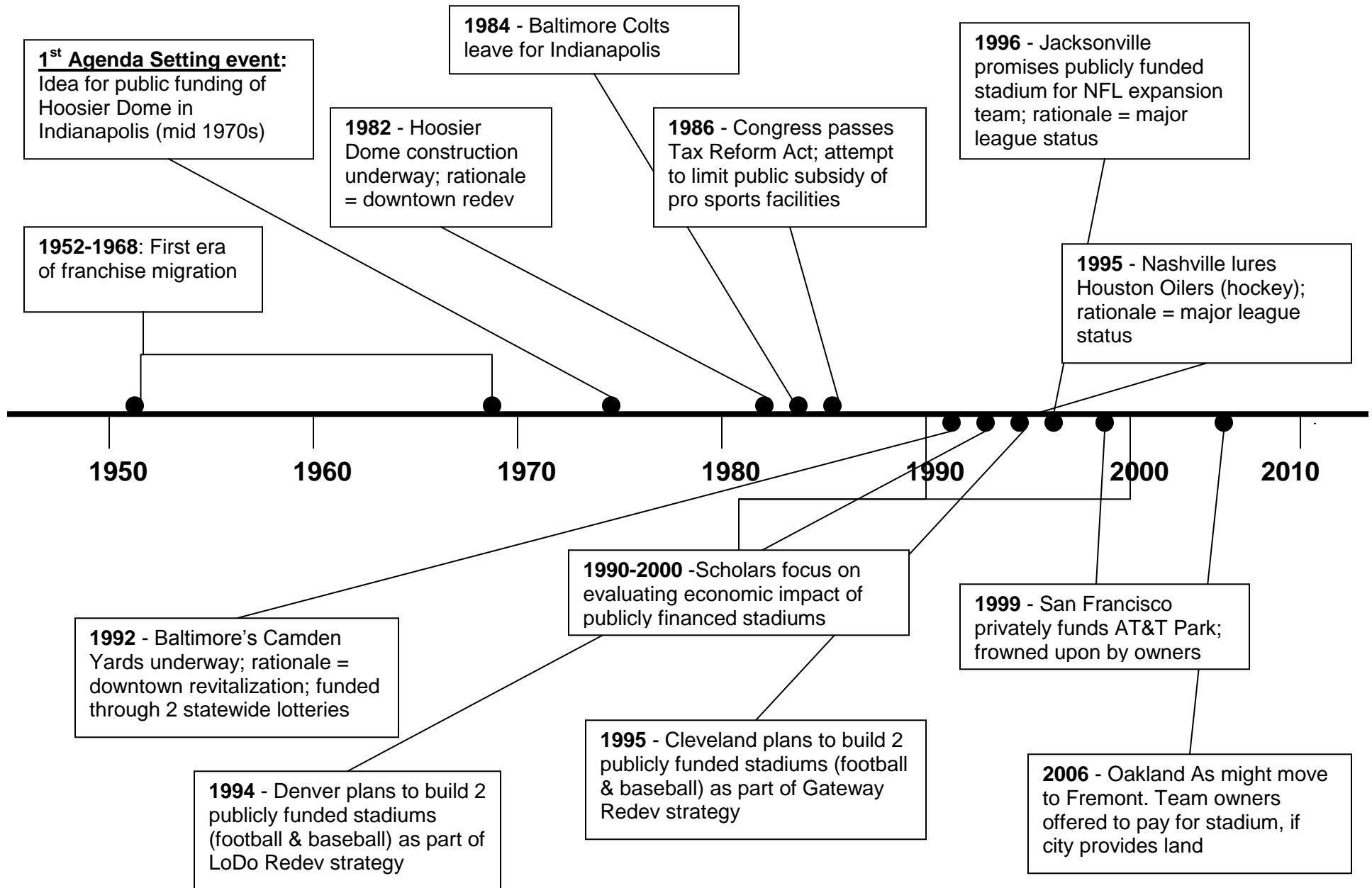
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## Appendix 1: Timeline of Major Stadium Events and Decisions



## Appendix 2: General Categories of Major Stakeholders in Stadium Debates

Stakeholder	Preference	Stage of Influence	Powers
Team owners	<ul style="list-style-type: none"> <li>● New stadiums = primary way to raise revenues; teams can usually capture all revenues streams generated in the facility</li> <li>● Precedent of public subsidy in many cities, so team owners have a strong rationale for pursuing public funding</li> </ul>	Agenda Setting Formulation	Threat of moving the team, either implicit or explicit
Pro Sports Leagues	<ul style="list-style-type: none"> <li>● New stadiums equal higher overall revenues, particularly in sports with revenue sharing systems.</li> <li>● Prefer publicly funded stadiums so owners spend less.</li> </ul>	Agenda Setting	<ul style="list-style-type: none"> <li>● Act like cartels</li> <li>● Award franchises and approve team location moves and ownership changes</li> </ul>
Stadium Boosters	<ul style="list-style-type: none"> <li>● May include business owners in proposed stadium site, real estate developers, etc. (special interests)</li> <li>● Support stadium deals because of potential economic benefits they will receive</li> </ul>	Agenda Setting Formulation	<ul style="list-style-type: none"> <li>● Lobbying, Campaigning</li> <li>● Prepare based impact reports and marketing pitches</li> </ul>
Mayor	<p>Typically support publicly-funded stadium</p> <ul style="list-style-type: none"> <li>● For cities with existing teams, Mayor wants to keep team to preserve civic pride.</li> <li>● For cities without teams, Mayor wants to attract team to stimulate civic pride</li> <li>● New stadiums = impetus for ED and potential to create jobs</li> </ul>	Agenda Setting Formulation	<ul style="list-style-type: none"> <li>● Formal decision maker</li> <li>● Command of public attention</li> </ul>
Legislature	<ul style="list-style-type: none"> <li>● Members may see public subsidy as legitimate because of ED rationale, or as necessity for retaining/luring a team</li> <li>● Members may be skeptical of public subsidy and recognize opportunity costs</li> <li>● May be beholden to team owners, stadium boosters</li> <li>● Beholden to constituents, who may prioritize saving the team, or who do not support public subsidy</li> </ul>	Adoption	<p>Formal decision making role</p> <p>May utilize staff to analyze stadium proposal</p>

Stakeholder	Preference	Stage of Influence	Powers
Governor	<ul style="list-style-type: none"> <li>● In some cases, Governor becomes involved in the stadium debate</li> <li>● Typically favors stadium projects to retain team; may even offer state funds</li> <li>● May be beholden to team owners, stadium boosters</li> </ul>	Agenda Setting Formulation	<ul style="list-style-type: none"> <li>● Formal decision making role</li> <li>● May help design funding plan with state monies</li> <li>● Command of public attention</li> </ul>
State Legislature	<ul style="list-style-type: none"> <li>● In some cases, state legislature becomes involved</li> <li>● Preferences similar to Municipal Legislature</li> </ul>	Adoption	Formal decision making role
The Public	<p>Divided into many subsets:</p> <ul style="list-style-type: none"> <li>● Sports fans - usually proponents of stadium deals; want team to stay in city at any cost; however, sometimes oppose stadium deals too - do not see rationale for public subsidy</li> <li>● Citizens living in proposed stadium sites - these are people who bear the considerable costs of a new stadium. Often lose their homes, or community. Typically oppose stadium deals</li> <li>● Non-sports fans - typically oppose stadium deals</li> </ul>	Agenda Setting Formulation	Public interest Referenda
Congress	Has become increasingly interested in regulating these public subsidies and limiting the capacity to spend public money on stadiums.	Adoption	Formal decision making role Implemented the 1986 Tax Reform Act
Bond lawyers	Play a large role in encouraging cities to go into debt over these stadium deals	Formulation	Lobbying
The Media	<ul style="list-style-type: none"> <li>● Typically takes a pro-stadium role by default; publicizes these stadium battles and rarely mentions the alternative of NOT building a stadium</li> <li>● Will present dirty details of stadium deals b/c it makes attention-grabbing news (can be anti-stadium in this regard)</li> </ul>	Agenda Setting	Command of public attention

**Appendix 3: Major Stakeholders in the Debate over a New Comiskey Park  
(Case Study #1: Chicago)**

<b>Stakeholder</b>	<b>Preference</b>	<b>Stage of Influence</b>	<b>Powers</b>
White Sox owners	Comiskey Park is old and does not provide significant revenue opportunity, such as suites, club seating, modern concessions; need a brand-new park	Agenda Setting Formulation	Threat of moving the team, either implicit or explicit
Save our Sox (SOS)	Keep White Sox in Chicago!  Comiskey Park has historic, sentimental value and should be updated, not torn down.  Initially did not support public funding of a new stadium because it was corporate welfare. (Later the group shifted focus)	Agenda Setting Formulation	Protests at City Hall, Comiskey  Press Strategy
South Armour Square Neighborhood Association	Oppose the new Comiskey Park plan because it would decimate their neighborhood.	Agenda Setting Formulation	Protests, Litigation  Press Strategy
Mayor Washington	Must keep White Sox; motivated by reelection	Agenda Setting	Command of public attention
Illinois Legislature	Probably swayed by lobbying pressure from team owners and stadium boosters	Adoption	Formal decision making role

## Appendix 4: Major Stakeholders in Cleveland Stadium Debates (Case Study #2)

Stakeholder	Preference	Stage of Influence	Powers
Cleveland Indians, Cavaliers, Browns  (Team owners)	Seek new sport-specific publicly funded facilities with modern amenities	Agenda Setting Formulation	Threat of moving the team, either implicit or explicit
Leagues (NFL, NBA, MLB)	New stadiums, more luxury suites, prefer public finance	Agenda Setting	Label franchises as candidates for moving/new stadiums Can approve franchise moves
Gateway Economic Development Corporation	Sports stadiums would be at heart of public-private partnership to drive downtown redevelopment	Implementation	Adopt into project
Mayor White	Keep teams in Cleveland	Agenda Setting	Command of public attention; prestige
Cuyahoga County Voters	Split: Countywide, preferred having teams to no tax raise; Cleveland residents actually voted down the tax increases	Adoption	Approves 15 year Sin Tax for funding
Fans (Browns in particular)	Retain teams	Agenda Setting Formulation	Lobbying city officials