

We affirm; resolved: On balance, public subsidies for professional athletic organizations in the United States benefit their local communities.

Contention One: Stadiums serve as social anchors.

Public subsidies tie down teams to the local community. **Sarah Wilhelm from the Center of Public Policy and Administration posits**

Since the 1970s changes in professional sports have led to an increase in publicly funded stadiums. Growing costs in the form of player free agency and changes in the tax code left team owners looking for ways to increase revenues in order to maintain the returns on their investments in professional sports team franchises.⁴

One of the most effective ways to increase revenues is to invest in a new grand stadium with luxury boxes and elaborate concessions. **[The benefits] Benefits to a city of building a stadium have become almost synonymous with the benefits of having a sports team because, for most cities, the cost of not providing public funding for a new stadium is losing the team to another city.** As a result, two thirds (66%) of teams in the NFL, NBA, MLB, NHL and MLS are playing in stadiums built or significantly renovated since 1990—with 28% built or significantly renovated since 2000.

As the public subsidies anchor the stadiums, the stadiums anchor the city. **Chad Seifred in the Journal of City, Culture, and Society argues**

The above points demonstrate **sport facilities can serve as an anchor point for the social capital established or created in a community and/or fan nation through the collective celebration of activities that may occur on sporting grounds.** Socially, sport venues benefit societies and/or fan nations because the synergy generated provides opportunities for interaction to members of that group and reinforce and introduce support for their collective identity. The use of SAT to examine sport facilities provides for a conceptual basis to envision the role of sport facilities within a context of social capital and collective identity. While Rosentraub and Ijla (2008) and Crompton (2004) touch upon the benefits derived from effective sport facilities in terms of alternative, (i.e., social capital, enhanced community image, psychic income, etc.) or not directly fiduciary, this work extends their analysis further by incorporating the element of collective identity into the process which has previously not been connected. It appears it is the unique interaction between social capital and collective identity that make social anchors so viable in the community development process.

The high visibility of a stadium as a social anchor has five impacts.

First, as a symbol of high visibility, stadiums are used for disaster relief. Based on Katrina's impact in the South, **Frank Guridy, director of the Warfield Center at the University of Texas, makes the case**

My research is revisiting these moments of despair at the Louisiana Superdome during the first week of the Katrina disaster in the late summer of 2005 in order to underscore the multiple ways the Superdome became a public monument to the Katrina disaster. The fact that a sporting venue became an iconic symbol of the catastrophe reveals the workings of the neoliberal state in contemporary U.S. society. In an era when state and federal governments are slashing budgets to public services, **stadiums remain one of the few areas** of public investment, due to their ability to generate profits for owners of professional teams and other businesses that benefit from the sport industry. The Katrina disaster, however, transformed the Superdome, and the Houston Astrodome, **where evacuees were [can be] also housed, into [which is] something beyond their function as entertainment venues.** Although **these stadiums became improvised emergency shelters**, they **[and] also** became **public monuments to the suffering** created by the government's inadequate response to the crisis. But like all monuments, these stadiums, particularly the Superdome, serve as sites of forgetting, a process that has become clear in the city's effort to make the renovation of the stadium (and the recent success of the Saints) a symbol of New Orleans's "comeback" from Katrina.

Second, the community increases their social capital. **Seifred continues**

This explanation of social anchors also demonstrated that phenomenon exists through **sport facilities** because they **enhance both the bonding and bridging of social capital between community networks.** Next, sport facilities **[and] secure social capital by existing as tangible spaces which anchor social networks back to the greater community.** This combination presents sport facilities as **[which is] important to helping create and/or maintain a collective identity for a community.** In-groups and out-groups supported by the sport facility help further demonstrate the notion they exist as important anchors for the

identification requirement necessary to create a social anchor. Nalbandian (2005) suggested “people want to be a part of creating and maintain a community with which they identify, and they are willing to take a part in protecting a sense of community” (p. 313). Therefore, people should be interested in protecting and investing in the renovation or construction of facilities for sport organizations because it could be essentially viewed as a mechanism to protect oneself.

Third, this subsequently decreases crime. **Harvard’s Ichiro Kawachi conducted a study**

Eric Michael Johnson cites a study conducted by Harvard’s Ichiro Kawachi **that analyzed the homicide rates in each state and the District of Columbia**. Kawachi **[and] found that** as the gap between the rich and the poor rose, the rate of homicide rose along with it:

The results were unambiguous: when income inequality was higher, so was the rate of homicide. Income inequality alone explained 74% of the variance in murder rates and half of the aggravated assaults. However, **social capital had an even stronger association** and, by itself, accounted **[and could partially account] for 82% of homicides and 61% of assaults**. Other factors such as unemployment, poverty, or number of high school graduates were only weakly associated and alcohol consumption had no connection to violent crime at all. A World Bank sponsored study subsequently confirmed these results on income inequality concluding that, worldwide, homicide and the unequal distribution of resources are inextricably tied.

Fourth, morale improves when an identity is shared. **The University of Michigan indicates**

Boosting civic pride has been a primary challenge for many city leaders throughout the country. It is believed that **positive attitudes towards cities improve productivity, encourage local constituents to become further invested and engaged, and attract new talent and growth**. Proponents argue that enticing sports teams to relocate into cities, or building sleek new facilities for existing franchises has been a successful tool in boosting this intangible asset. Though this effect is difficult to quantify, it **[civic pride, or team spirit,] provides utility far beyond the cost of the subsidies**.

Fifth, the presence of a team anchors their economy. **Mike Delrio of The Examiner shows**

The loss of the Atlanta Thrashers is the latest hit on Atlanta’s economy. While there apparently was not enough local support to keep the Thrashers in Atlanta, the negative impact of the teams relocation to Canada will be felt by the entire city. With Georgia’s economy recovering at a slower rate than the rest of the nation, the revenue lost will be difficult to recoup. Additionally, jobs will be lost. Georgia’s unemployment rate has been higher than the national average for months (hovering between 9.7 and 10%) and any additional job losses will only add to the already high number of those unemployed/underemployed. **Restaurants, shops, and vendors with leases at Phillips Arena who depend on the traffic generated by [Atlanta] Thrashers games are in danger of losing 20-40% of their revenue**. Taco Mac management has stated they regularly do three times the normal sales on Thrasher game night, and smaller vendors have stated half of their business came from Thrashers traffic. **The city will lose revenue as well due to the loss of business at a time when the city, like most, [is] are dealing with budget concerns**.

Contention Two: Urban revitalization hinges on public subsidies.

Peter Koehler of Colgate University explains

Building on the work of Coates, Mark Rosentraub wrote Major League Winners in 2010. The book shows how Indianapolis, San Diego, Los Angeles, Columbus, Cleveland, and Reading (PA) have been successful in **using professional sports stadiums to revitalize their struggling downtowns** and created growth that Rosentraub argues **would not have occurred otherwise or elsewhere**. Rosentraub convincingly shows that these cities succeeded where others failed by either limiting the amount of subsidies or guaranteeing that their contributions to stadiums would be matched by far greater private development in the surrounding area. Instead of just giving teams hundreds of millions of dollars in public funds with nothing expected in return other than the supposed economic development the new facility would bring to the area, the **cities proactively worked to ensure that their investments would be just one part of a public/private partnership to revitalize downtown**.

Sharianne Walker of the Western New England College School of Business compounds

The current trend toward securing private funding for sports facilities suggests that **teams know that public dollars are difficult to secure, and they have become savvier in seeking such funding**. One thing **teams may have learned is that public support for sports projects may increase when municipal infrastructure improvements are part of the funding package**. For example, Massachusetts tax- payers supported road and utility improvements related to the construction of Gillette

Stadium in Foxboro²⁹ and the Basketball Hall of Fame in Springfield.³⁰ Teams and local governments will likely continue to explore creative financing arrangements, including various economic incentives and visitor-related taxes, such as hotel and rental car taxes, as an alternative to direct taxpayer funding of facility construction.

Brad Humphreys of the University of Alberta's Department of Economics corroborates

Despite the difficulty in quantifying the intangible and non-pecuniary benefits to residents, economists have made efforts in this direction. The series of papers by Johnson and Whitehead (2000), Johnson, Groothuis, and Whitehead (2001), and Johnson, Mondello, and Whitehead (2005) measured the intangible benefits by people's WTP for sports facilities using the Contingent Valuation Method (CVM) approach. Another approach utilizes a standard hedonic housing model to estimate the intangible benefits of sports facilities (Carlino and Coulson, 2004; Tu, 2005; Dehring et al. 2007, Ahlfeldt and Maennig, 2007)). The underlying idea in these papers is that a house is a differentiated good, and **the price of a house is determined by a combination of its own characteristics and intangible characteristics associated with the house, including public amenities near where the house is located.** This approach has also been used to estimate the prices and demand for environmental amenities. In the context of this paper, **the presence of a sports facility in a neighborhood is viewed as an intangible characteristic and the presence of a sports facility would be capitalized into housing prices.**

Recently, construction has trended to developing in historic districts that drastically need a revamped image. **Earl Santee of Populous Magazine notes**

The Summit on the New American City explores this concept of urban redevelopment- a topic that has long been on the mind of sports architects and urban planners at Populous- driving site selection and playing an integral role in the design process. The conversation becomes more pertinent as the number of Americans in urban areas continues to grow rapidly. **Oriole Park at Camden Yards**, a stadium that **is widely credited for revitalizing downtown Baltimore and inspiring nearly 20 other Major League Baseball [MLB] franchises to build in urban areas over the last two decades,** is one of the earliest examples of the power of sports facilities on urban development. **Attendance jumped to over 3 million a year, with 1,750 new housing units and 500,000 square feet of retail space built in the surrounding areas** immediately following completion.

Camden Yards and the stadiums that followed it have been successful in large part because of the homage paid to their surroundings and vision for the future of the downtown area. We've seen **urban success in Baltimore [was] replicated in** cities like **Denver, Minneapolis, Houston, Pittsburgh and Cleveland.** Stadiums in each of these cities served as a catalyst for change, resulting in collateral development that has ultimately transformed their downtowns. With the ability to continuously draw crowds of tens of thousands more than a hundred times a year, the area surrounding a stadium grows to accommodate visitors. Restaurants, bars and hotels can be situated near stadiums. **Office buildings moving closer to these new districts and housing ultimately develops to meet the needs of residents.** The stadium plays an integral role in the live, work, play equation, often encouraging development of the live and work portions by offering pedestrian-friendly connections to transit, frequent events and vibrant nightlife surrounding the stadium. These projects give downtowns defined purpose to connect, communicate and share great experiences.

Santee further exemplifies

Coors Field, situated **in Denver's** Lower Downtown (LoDo), **has had a lasting impact on** the city's **development**, leading to the growth of a charming and eclectic neighborhood surrounding the stadium where pioneering young professionals and families have flocked. The results of the investment in the stadium were both immediate and impactful with retail, restaurants and housing in the surrounding area growing rapidly. LoDo has seen an increase of **housing units in the area [have increased] by 408 percent, [and there has been] growth in the occupancy of hotels downtown by 25 percent** and a substantial increase in the number of restaurants, night clubs, breweries and art galleries in the city. **It was estimated that the economic influence of the stadium was double what initially was predicted- at \$195 million a year.**

In addition to a higher valued community, crime decreases. **Jeff Dannes from the Washington and Lee University furthers**

Urban renewal projects are often advertised as possessing the secondary benefit of reducing crime. Indeed, subareas targeted by urban redevelopers often do **see an attendant drop in crime rate [because of]**. Several so-called "situational crime prevention factors" often present in urban renewal projects do help reduce criminal activity (Press, 71)¹². **Increased [increased] security presence** (both police, presumably stepping up patrols **response [due] to the higher volume of residential and commercial interests,** and private security personnel in

corporate and commercial establishments) serve as an effective crime deterrent for reasons that should not need mentioning. Improved street lighting and increased pedestrian traffic (thus providing "casual surveillance") are also effective crime reduction factors.