A POLITICAL ECONOMIC ANALYSIS OF CINCINNATI’S DOWNTOWN REDEVELOPMENT SCHEME CENTERED AROUND THE CONSTRUCTION OF PROFESSIONAL SPORTS STADIA

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The purpose of this analytical case study is to explore the political economy of stadium construction and the urban growth strategy and redevelopment scheme that occurred in Cincinnati covering the years from 1993 to 2003. This case study was developed to provide an integrated view of the historical, social, economic, and political forces that defined the conditions in which this strategy was embedded within the class factions of the dominant. Information gathered to develop this study included mainstream newspaper accounts (including those from the newspaper’s website), and miscellaneous articles and texts. The city’s professional sports franchise’s (i.e., the Cincinnati Bengals’) complaints of economic downturn were blamed on, and due to, Riverfront Stadium’s inadequate number of revenue producers (e.g., lack of sufficient number of skyboxes, club seats, and a restaurant) compared with league (NFL) averages. The franchise’s relocation threats garnered certain city and county leaders’ support in providing a new stadium to prevent their departure and paved the way for a new image and re-birth of downtown Cincinnati—economically, physically, and socially. Such support was not monolithic evidence of a lack of consensus in what might have been presumed to be a hegemonic elite. While most of the information gathered for this thesis stemmed from mainstream sources that are often the vehicles from the perspectives of the dominant, my use of the “official” media is selective and primarily empirical. A critical analysis is provided.
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INTRODUCTION

In November 1993, the general manager and owner of the Cincinnati Bengals’ professional football franchise, Mike Brown, informed the Cincinnati community of his intention to relocate his team if his demands were not met. He threatened to relocate to another city if a new football-only facility was not built. Brown was seeking a public handout. His rationale for blackmailing taxpayers into providing a form of welfare assistance was due to the recent changes in the economic environment of the NFL. The economics of this environment have been shaped by a boon in the construction of new stadia with abundant luxury suites, the assessment of personal seat license fees, and by the new era of unrestricted free agency.

Because the downtown Cincinnati region had been suffering economically at the hands of disinvesting capital, taxpayers (with heavy prodding from public officials) ultimately approved funding to grant Brown his wish. Passage of a 0.5% county sales tax increase to fund the construction of two new stadia (one for the Bengals and one for the Cincinnati Reds’ professional baseball franchise) was contrived to avoid the loss of their professional sports teams and to utilize the stadia as centerpieces of a massive urban redevelopment scheme designed to incite economic development.

Cincinnati’s disinvestment problem of the 1990’s actually commenced in the early 1980’s when the pro-growth campaign unveiled by political leaders called for a “bricks-and-mortar” central business district. Dubbed the “Year 2000 Plan,” it mapped out the future of downtown Cincinnati to the year 2000. The city had accomplished its goal. But successful investment of capital into the downtown business district
paradoxically led to its downfall. By the early 1990’s, the city noticed a steady decline of residents and businesses in the region along with no signs to indicate that the trend would shift. To reverse this trend, Cincinnati sought to restore the downtown district by embarking on a project that followed recommendations set forth by urban consultants. The consultants alluded to the lack of family-type entertainment venues in the central city as the reason for its economic, physical, and social descent. To implement a course of action and curtail the incessant disinvestment of capital, Cincinnati’s government officials bought into the idea that sports teams, along with the stadia they play in, have the ability to spur economic development as well as other non-economic benefits.

To facilitate rejuvenation, cities often engage in “urban politics.” They compete with other cities—within and outside of their region—for capital investment to obtain or maintain an economically, physically, and socially healthy environment (Schimmel, 1987, p. iii). Intra- and inter-city competition is a consequence stemming from capital’s ability to disinvest (i.e., migrate to other regions) whereas cities are permanent fixtures fabricated into the metropolitan landscape. Because of this, cities must provide incentives to obtain or retain a National Football League (NFL) firm (Ingham, Howell & Schilperoort, 1987, p. 444). The funding source for providing these incentives comes from taxpaying citizens, or the public sector. City and county (or sub-state) governments operate under the model that to accumulate capital from the private sector, they must initiate investment from the public sector. With this logic in mind, officials see the practice of collecting taxes from the public for private endeavors (such as multi-million dollar sports stadia for professional sports franchise owners) as an ethical standard of conduct in the inter-urban contest for capital investment. Professional sport franchise
owners, cognizant of this political approach to a city’s revitalization efforts, often exploit
the system.

The policy decisions sub-state governments make with regard to providing many
types of welfare assistance to owners of professional sport franchises, come in response
to threats by team owners demanding that their respective host community build a new
stadium to increase their profits. If their request is not met, the owner relocates the team
to a location that will provide the largess.

In the work that follows, I will discuss the problematic of professional sport
franchise relocation, relocation threats, and the relation of relocation threats to urban
politics with specific reference to the case of Cincinnati. My contention concerning the
decisions of professional sport franchise owners to threaten their municipal host with
relocation is in direct correlation with the micro-economic situation of the sport industry
and the specific sport league to which they pertain. These relocation threats are also in
direct correlation with the policies of public officials to construct stadia to catalyze the
local economy in the face of inter-urban competition for capital investment. As Fainstein
and Fainstein (cited in Schimmel, 1987) argued, decisions to relocate by professional
sport franchises are both political and economic. This held true in Cincinnati.

In Chapter One, I will discuss the relationship that typically exists between a
professional sports franchise and its host community. This includes discussion of Jeremy
Howell’s “norms of reciprocity” theory that is presumed to exist between a professional
sports franchise and its host community. It states that a sports franchise will convey itself
to the public as performing a service as opposed to being an entertainment entity only out
to profitize. When a sports team is successful in this conveyance, the “norms of
reciprocity” will continue to exist. However, should a franchise disturb this “bond,” a violation of the norms of reciprocity will have occurred. Such instances that can induce a violation include a sports franchise relocating (or threatening to relocate) to another community, a players’ strike, or an owners’ lockout.

In Chapter 1, I also will recount the history of the Cincinnati Bengals’ National Football League (NFL) franchise and its relationship with its host city, Cincinnati, concerning their lease at Riverfront Stadium (renamed Cinergy Field). I will also discuss the Bengals’ relationship with the Cincinnati Reds’ Major League Baseball (MLB) franchise and their shared occupancy at Riverfront Stadium. Discussion of these relationships will provide a historical context for the Bengals’ eventual decision to threaten relocation.

Finally, I will conclude Chapter 1 by reviewing the micro-economic analysis of franchise relocation (i.e., the intra-industry logic of capital accumulation). My discussion pertains to modern professional sport leagues’ profit-enriching ventures through the collusive tactics of cartelization and monopolization. Relocation by professional sports teams to other cities that will provide for their particular needs stems from the sports leagues’ cartel-like operations and monopolistic behavior. Modern professional sport leagues have purposefully and strategically limited the number of franchises operating under their collusive “umbrella,” creating a condition whereby more cities are interested in a professional sports franchise than there are franchises available. This condition is known as artificial scarcity (Ingham et al., 1987). With restrictions placed on the supply of teams along with a high demand from other cities for more teams [due to the
popularity of a league], sports team owners possess the ability to threaten their host municipality with relocation to successfully achieve the objective of a new stadium.

Sports franchise owners, including Mike Brown, assert that they compete for the best available players by bidding for their services to help make their team competitive. With the advent of unrestricted free agency beginning in 1993, players have been increasingly available in the marketplace to offer their services to the highest bidding team. Although there is considerable revenue sharing in the NFL, owners with the most non-shared revenue are able to outbid other teams and offer higher salaries to the players for whom they are competing. The local media contracts and luxury suite boxes are two of the largest producers of non-shared revenue in the NFL. It is this non-shared revenue that has caused a disparity in the incomes produced by owners that have led to a competitive disadvantage for the low revenue-producing teams. A franchise that is lacking in the ability to earn revenues somewhat equal to their counterparts must obtain the means necessary to earn more non-shared revenue or be the laughing stock of the NFL. Retention of more non-shared revenue is translated into building new stadia with a bundle of luxury suites.

In Chapter Two, I focus on the city of Cincinnati’s urban crisis as it faced an economically declining core. The flight of many businesses and residents to the suburbs and other regions, along with the inability to attract tourists and outlying community residents to its borders, contributed greatly to its gradual economic downturn. The economic state of the city was suffering, in part, because a low base of taxes was being collected from its highly disproportionate number of indigent residents. Despite the city of Cincinnati’s sound corporate infrastructure, many officials, ironically, believed it
contributed significantly to the disinvestment of capital in the downtown region. That is, an overabundant investment of capital in a traditional corporate environment—without a complementary dose of fun and entertainment—is what urban consultants believe may have led to the downtown’s demise.

Cincinnati officials realized that the downtown region was struggling and that a strategy of pro-growth was necessary for the future livelihood of its existence and its residents. Public officials and executive leaders agreed that efforts to revitalize downtown were essential, but the promotion of publicly subsidized stadia for private enterprises, the Cincinnati Bengals and Cincinnati Reds, caused division amongst government officials, business leaders, and residents of that community.

The promotion of sport as a foundation on which to build amenity structures was the result of a combination of events: Threats communicated by the Bengals and Reds to relocate to other cities if each did not receive a new stadium, and the recommendation by urban planners and consultants to implement a growth initiative based around the theme of families. Cincinnati responded to its urban crisis with a pro-growth campaign that sought to initiate the investment of public capital in order to spur the investment of private capital in the downtown region. This growth initiative resulted in an ambitious redevelopment strategy aimed at economically resurging the riverfront with family- and entertainment-type venues with the hope of spurring economic development in and around the central business district.

As Ingham, Howell, & Schilperoort (1987, pp. 731-732) argued, stadia are constructed as a political solution to the capital disinvestment and reinvestment dilemma that cities are often faced with during times of fiscal crisis. They agreed with Staudohar
(1985) that owners of sports franchises are often more than willing to exploit this solution and use it as a form of political blackmail should the opportunity present itself. The most common form of exploitation involves issuing an ultimatum to a particular city to construct a new stadium or else the franchise will pick up their belongings and head to a city that will succumb to its demands. This was the case in Cincinnati. There was a real fear on the part of city officials and business leaders that the Bengals would have departed had the stadium tax referendum not been passed.

In Chapter Three, I explain the intra-city politicking that existed between the city of Cincinnati and Hamilton County in determining the worth of retaining the region’s two professional sports franchises with the use of public subsidies. The chapter details the political decisions of public officials with reference to subsidization of stadia in response to threats by Cincinnati and Hamilton County’s two professional sports teams to relocate and the strategies that government officials and other pro- and anti-tax factions used in their campaigns. I also introduce a general outlook of the public policy issues civic officials support in their decisions to retain or obtain professional sport franchises. Officials who endorse the retention or acquisition of a professional sport franchise justify its subsidization on the basis of tangible trickle down economic benefits and intangible social-psychological non-economic benefits. Such a logic was used to sway voters into supporting Issue 1, the 0.5% county sales tax increase to provide funding for two new stadia.

Proponents of the sales tax increase raved that the stadia would stimulate the local economy. They would do this by attracting tourists, increasing jobs, and luring companies and employees to the area. Opponents, however, challenged the reports of the
positive economic impact stadia would have on an economy. They also argued that the sales tax was too regressive, team owners and local businesses were not contributing financially to the cost of new stadia, and they were against subsidizing a private enterprise that was worth millions of dollars. The details of this debate are provided in Chapter 2. Suffice it to say that the strategies and tactics utilized by county commissioners and other pro-tax factions prevailed as the 0.5% county sales tax increase, or Issue 1, was passed by Hamilton County taxpayers on March 19, 1996.

Although the stadia sales tax was passed, the issue of constructing a new stadium for the Bengals (and Reds) was not settled. The location and design of the new stadium, the new lease between the Bengals and Hamilton County, and the proposed agreement between the city and county on the redevelopment of downtown Cincinnati all posed significant obstacles to finalizing the deal to keep the Bengals and Reds in town.

The cost of stadia also became an issue, but not a dealbreaker. Although taxpayers approved the funding of two new stadia at an estimated cost of $544 million, cost overruns contributed to a total cost of the Bengals’ new stadium alone at over $446 million. The cost of the Reds’ new Great American Ballpark has been estimated to cost $270 million. These are the issues that are discussed in Chapter 3.

Throughout the manuscript, I have relied quite heavily on reports developed by the staff of The Cincinnati Enquirer. For the most part, I have limited the use of such reports to their more factual elements—dates, places, people, and quotations to which the reporters had privileged access. However, there are occasions when I have entertained the commentaries provided by the reporting staff. Here, I recognize that reporters do not simply report the news as a record, but also have a part in its social construction. They
filter the news and may indeed report on it through their own ideological positions. My read on *The Cincinnati Enquirer* is that it is conservative and often speaks to the readers from an official position. The voices more typically heard in this newspaper are those that represent the rich and powerful. Often, the voices of the weak and poor are not represented—they may even be silenced. Thus, much of my analysis could be considered as an analysis from the top down rather than the bottom up since it is primarily concerned with the conflicts and collusions between various factions within the dominant as reported in a conservative press. However, I have tried to critically analyze these conflicts and collusions in terms of the broader impact that they have had on the citizens of Cincinnati. In short, wherever possible, I have tried to turn the official narratives to my critical advantage. Of course, I have not always succeeded.
CHAPTER 1

FRANCHISE-HOST COMMUNITY RELATIONS

Beginning with Noll’s (1974) article, “The U.S. Team Sports Industry: An Introduction,” sociologists have developed an interest in urban politics and in the relationship that exists between professional sports franchises and their host communities. The relationship between a professional sports franchise and its host community is a very unique arrangement. For example, every sports franchise appears to have a strong association with the community it occupies by bearing the name of the host city that it represents. In no other private business does this inheritance of a community’s appellation have such a symbolic impact on their relationship.

**Symbolic Relationship**

The relationship that exists between a sports team and its host community is one which concerns the sentimental values that sport may produce, such as a feeling of belonging to a group (Howell, 1984, p. 4). As previously mentioned, a sports team assumes the name of the community in which it resides. This is an aspect of the relationship that emotionally bonds the community together. Richard Lipsky (cited in Howell, 1984) claimed sport to be “classless” in its widespread interest. He said that knowledge of sport appears to bring people of all walks of life together and molds them into a “we.” Sport in each community has an emotional affect on its residents. In bonding themselves to a sports franchise, the team becomes “our” team and, in competition, a feeling of “us versus them” arises (Howell, p. 41).
The current sport franchise-host community relationship also retains a bond originating from the residual effect of pre-industrial communities. Modern capitalist societies often imagine that they can re-create the simple nostalgic images of the past. Pre-industrial communities, Howell (1984) explained, were characterized as being socially cohesive; people were thought to maintain a sense of togetherness within the community. This sense of togetherness that has escaped many of our communities, usually the larger metropolitan cities where NFL franchises make their home, continues to have an appeal within our advanced capitalist society. Howell said that “there remains residual possibilities of a nostalgic image of a past that perhaps never truly was, that can be mobilized into an image of the present perhaps unlike it really is” (p. 110). In other words, modern-day communities may be looking to fill a social void through nostalgic images of the past that may never have really existed by incorporating those images into today’s societies.

Raymond Williams (as cited in Howell, 1984) said of this “residual effect” that certain experiences, meanings, and values are lived and practiced on the basis of the residue of some previous social and cultural formation. The notion of “community,” while being predominantly residual, is incorporated as idealization and fantasy into the social meaning and value systems of present-day capitalist societies (p. 122).

The relationship that has developed from the sport franchise-host community arrangement has evolved from a variety of deep-rooted pasts of historical implications and the desire to obtain a feeling of regression to a socially solidaristic, pre-industrial past that seems to have eluded us.
As a social formation, communities continue to be re-formed through professional sport. This can be achieved through the ideological power that sports teams have over residents of communities. Lipsky (cited in Howell, 1984) commented:

The language of sports is the symbolic glue that holds the entire social life-world. It is common idiom that links (heretofore male) Americans in their taverns, living rooms, car pools and offices...The team acts in many ways as the symbolic community that unites belief systems and authority structures with people’s everyday lives. (pp. 64, 67-68)

This rather ingenuous statement (or the sentiments contained therein) has been contested by Howell (1984); Ingham, Howell & Schilperoort (1987); Schimmel (1993); and more recently by Ingham & Mc Donald (2003); Smith (2001); and Smith & Ingham (unpublished manuscript). Certainly, a sports team and its athletes have symbolic capital, but the value of this capital varies by the urban constituencies that are contoured by race, gender, and social class as can be seen in the arguments that follow.

**Norms of Reciprocity**

To further explore the relationship that exists between a professional sports franchise and the community in which it resides, we must take a look at Jeremy Howell’s “norms of reciprocity” theory from his 1984 Master’s thesis titled, “A Tale of Three Cities: The Relocation of Professional Football Franchises and the Dialectics of Profit and Community.” His claim was that professional sports franchises portray themselves as performing a service to the community as opposed to simply being an entertainment entity out to make a profit. They present themselves as being in the public good.

One way that the sports industry comes across as being a community service occurs through the media’s representation of sport. Every local television station across...
America devotes nearly one-third of their newscasts to sports with local, regional, and national coverage. The same can be said about other media outlets such as local radio station newscasts. Local community newspapers also reserve an entire section exclusively for the coverage of local, regional, and national sports. By including the coverage of sports into newscasts and newspapers, it reiterates the importance sports has in pulling individual communities together to root for the home team; thus, making it appear that sports teams are performing a service for the community—to give communities a “sense of community” or togetherness.

Howell (1984) said that for the norms of reciprocity to remain in existence, a sports franchise must continue to portray itself as a community service (p. 62). To do so, the franchise must consistently win games and have a winning record over an extended period of time. When the franchise does not come across as being a public service, the norms of reciprocity are violated. This occurs when a team consistently loses, or accumulates a losing record over an extended period of time. Other than losing, situations that can disrupt the norms of reciprocity presumption include a players’ strike, an owners’ lockout, or some other action involving the discussion of increased wages. We have seen these circumstances more in Major League Baseball (MLB) than in any other sport. But what we’ve seen more in the National Football League (NFL) than any other sport is the issue of franchise relocation or the threat of franchise relocation.

According to Ingham, Howell, and Schilperoort (1987), a violation of the norms of reciprocity occurs when a sports franchise relocates from one market to another—a “between-monopoly” market relocation (i.e., beyond a 75-mile radius of its host city)—and denies its previous host community access to its product, the trickle-down economic
benefits, and the symbolic source of community sentiment (p. 218). When this happens, a controversy as well as a contradiction arises between a franchise and its host community. The controversy is whether a franchise has the right to abandon its host community; the contradiction is in relation to the profit motive and the “norms of reciprocity” that are presumed to exist between a community and its professional sport representative (Howell, 1984, p. 2). That is, professional sport operates in an abstract economy of space, whereas “norms of reciprocity” primarily refer to the place in which a professional franchise maintains its operations and its fan base, and in which social and symbolic capital play a major role.

**Economic Arrangement of Sport Leagues—Abstract Space**

Based on their review, Ingham et al. (1987) asserted that an interest in sports franchise relocation still exists. This interest has come about due in large part to the economic arrangement of sports leagues and the logic of capital accumulation (i.e., intra- and inter-city competition) that cities and communities undertake.

**Cartels & Monopolies**

To discuss the micro-economic analysis of franchise relocation, or the intra-industry logic of capital accumulation, one must be aware of modern professional sport leagues’ profit-enriching schemes involving the collusive tactics of cartelization and monopolization. According to Ingham et al. (1987), sports league owners have colluded to form a cartel in order to restrict competition concerning player acquisitions, location and ownership of franchises, broadcast rights, and concessions among all of the franchises. However, Mark Rosentraub (1997) argued that leagues were not originally formed with the intent of operating as powerful cartels. Instead, they were designed with
the purpose of regularizing the seasons and other aspects of competition. They were also organized to attract investors who would be willing to venture into an elite association of members who own a sports franchise (p. 75). Initially, this may have been the case; but owners soon realized that, for sports to be profitable, both the consumer and labor markets had to be “disciplined,” as Ingham et al. (1987) asserted. This required that restrictions had to be placed on the number of consumer markets that would exist and on the degree of freedom of movement an athlete would possess.

Among the restrictions cartels take on include the attempt to control the inter-team competition for players (Noll, 1974, p. 2). The result is a reduction in the competitive bidding wars for players’ services. This form of restriction is known as a “monopsony”—a one-buyer market. All sports leagues have a system of drafting college players (free agents who have not yet signed a professional contract). Once a team selects a player through the drafting process, that team acquires exclusive bargaining rights to negotiate with that player (Noll, p. 5). The drafted player then does not have the right to negotiate with other teams in that league; thus, the player is prevented from obtaining the highest wage from a team willing to offer a higher, or the highest, bid. However, with the new, unrestricted free agency system of 1993 set in place, this has all changed. A team that drafts a player now only has the initial right to bargain with that player. Should negotiations fall through, that player has the right to negotiate with other teams. The drafting team then has the option to retain the rights to that player’s services by matching any competitor’s offer made to that player.

The cartel structure also establishes a monopolistic position for the owners. A “monopoly” is a one-seller market. In the NFL, there is usually only one local seller of
NFL football (except in large markets such as Los Angeles and New York that can
support more than one team in one metropolitan area). By using their monopolistic
position, owners determine who can obtain membership in the league, how many
franchises can join, and where they can locate or relocate (Beamish, 1982, p. 143).

In their attempts to control the location and relocation of teams, Noll (1974) said
that sports league cartels divide markets among franchises to prohibit a member team
from locating in a city that another member team has already designated as its home.
An established team, however, may give an expansion or relocating team approval to
share its territory (p. 3). In the NFL, for a team to relocate outside of its home market (a
“between-monopoly” market relocation), the owner must acquire approval from a
majority, or three-fourths, of the remaining owners in the league under Rule 4.3 of the
NFL Constitution in order to do so. Notwithstanding, teams have relocated in the past
without league approval (e.g., Oakland Raiders), faced legal challenges, and prevailed.

According to Schimmel (1987), sports league owners produce profits by using
their cartel-like power to monopolize their sources of revenue. In the NFL, for example,
usually only one franchise has the right to sell tickets for NFL games in a given city. The
cartel structure that is in place also uses its power to control the rights to national
over-the-air broadcasts of games while, at the same time, it allows its teams to control the
crds to their local over-the-air broadcasts of games. Only the particular NFL team in
each city has the authority to offer local broadcasts of their home games and, if the team
owns the stadium, has the sole right to sell concessions (i.e., food and beverages), team
merchandise, and other souvenirs to attendees at its home games (Ingham et al., 1987, p.
435).
Artificial Scarcity

A professional sports franchise’s ability to disinvest (i.e., relocate) or threaten to disinvest from a hometown community stems from sports leagues’ cartel-like operations and monopolistic practices. A major ramification of the collusive tactics that modern professional sport leagues have undertaken is their creation of a condition referred to as “artificial scarcity”—purposefully limiting the number of franchises that can retain membership in a league. As previously stated, this condition exists because there are more cities with the inclination for a professional sports franchise than there are franchises available (Ingham et al., 1987, p. 427).

Rosentraub (1997) approached the Ingham et al. (1987) position when he ascertained that the power to limit the number of teams in the league is a direct outcome stemming from the formation of leagues by team owners (p. 75). He said that the number of teams in each league have been limited because owners and players fear that the financial world of sports would collapse if the supply of teams became limitless or unrestricted (p. 85).

The extreme popularity of the NFL [and other highly prestigious professional sports leagues such as MLB, the National Basketball Association (NBA), and the National Hockey League (NHL)] along with the restrictions placed on the number of franchises make stadium and lease blackmail by team owners a successful endeavor. The restrictions sports leagues place on their tightly knit membership of franchises, especially with regard to the production of artificial scarcity, have owners financially experiencing lower risks and higher profits (Ingham et al., 1987, p. 430).
New Economic Environment

Exploring the different economic circumstances NFL owners have encountered in past era’s entails looking at the different revenue sources available to them over the league’s history. From the 1920’s to the 1950’s, the chief producer of franchise revenues came in the form of general gate receipts (i.e., ticket fees) from fan attendance. In the 1960’s, the appearance of television began to make its impact on revenue production in professional sports. The advent of television and its associated advertising dollars was a gold mine for the professional sports industry because the rights given to the networks to televise sporting events led to a bull market experience for the NFL and its franchises. According to Eitzen and Sage (2003), about 65 percent of all NFL team revenues come from the sale of television rights, which—between 1998 and 2006—will amount to $17.6 billion (p. 243).

From the mid 1980’s through the 1990’s, a new economic environment created more revenue streams for owners, leading to a more mobile league of teams. Luxury box suites and personal seat licenses (PSL’s) have transformed the economics of the game. Owners without accessibility to these sources of revenue must seek to obtain them, namely luxury box seating, because today’s economic environment necessitates it. Most stadia built before the 1980’s lack the fundamental revenue-producing amenities needed to earn comparable earnings as franchises with new stadia that possess these amenities. The lack of new revenue sources in their stadia is what has team owners blackmailing their host city or venue owner with relocation in order to secure construction of a new stadium. If the respective host city does not comply with their demands, owners will opt
to find a city of taxpayers willing to subsidize a new stadium for them. The objective is for owners to make their team economically viable to be competitive in the league.

**Free Agency**

Although the secret of profit-making through luxury box seating had been explored in the mid-1980’s and has become the non-shared revenue of choice for owners, the National Football League Players Association’s (NFLPA’s) victory in 1993 over the right to unrestricted free agency was the final straw that led small-market teams to aggressively seek this new revenue stream. In 1993, NFL players were the last in major professional sports to procure unrestricted free agency. This occurred only after a series of lawsuits, strikes, and other maneuvers.

Free agency gives players the right to sell their skills to the highest bidding team. With the advent of free agency, salary costs began to rise abruptly for team owners. In 1996, for example, $100-million contracts became a part of professional sports and the average salary between 1968 and 2001 for a football player rose from $21,000 to $1,169,000 with the greatest gains posted after 1991 (Eitzen & Sage, 2003, p. 228). To enable team owners to afford these enormous rises in salaries and continue to earn profits they had been used to before free agency, they strategically imposed on taxpayers’ wallets to fund the new stadium construction explosion that was ignited in the mid-1980’s. Without the public’s welfare “donations” toward stadium development, owners’ profits would descend while player salaries would continue to rise with the new free agency system intact. Owners have solicited public funding to offset the increase in player salaries and to avoid diminished returns on their investment; after all, sports franchise owners want to maximize their earnings potential, too (Rosentraub, 1997, p. 5).
Because free agency would create wide variations in team payrolls, franchises with the most in-stadium revenue would most likely have a higher disposable income to afford the top players and continue to earn profits (Rosentraub, 1997, p. 6). For example, Mike Brown blamed the concept of free agency and the resulting increase in player salaries for his need of a new stadium (The Cincinnati Enquirer, Nov. 11, 1993, p. A1 by Jack Brennan). Whether it was strategically timed or it was sheer coincidence, his relocation threats came just months after the new system of free agency was announced.

This new system of free agency has led to soaring player costs and a purported economic crisis for team owners, especially for those with franchises located in small media markets. The Collective Bargaining Agreement (CBA) that was signed in 1993 between the owners and players called for a limited form of free agency. It gave team owners the authority to cap their team payroll at 64% of the shared national television revenue and gate receipts. The salary cap was to be implemented only if all of the NFL teams in the league spent a combined average of 67% of national broadcasting income and gate revenue on player salaries in 1993 (Ozanian, 1993, p. 24). Having fulfilled this requirement, each team was required to spend at least 50%, but not more than 64%, of those revenues on player salaries every season beginning in 1994 until 2000 (Ozanian, p. 25). With the signing of a new CBA in 2001, the salary cap was extended (for the second time) until 2004, securing stable relations between management and labor for at least three more years.

The NFL has actually had free agency systems in place since 1977. The difference between then and now concerns the issue of compensation. The free agency system in place in 1977 required the team that signed the free agent to compensate the team that
lost the free agent with future draft choices. This often prevented teams from signing free agents due to the severity of the compensation. The consequences of this reduced the number of player transactions, curtailing the number of teams that would bid for players’ services, thereby reducing their salaries. This, in one aspect, was good for owners because it kept player salaries in check and, presumably, kept profits on the rise.

The free agency-compensation system instituted in 1977 lasted until the NFL implemented its so-called “Plan B” form of limited free agency under the 1989 Collective Bargaining Agreement (CBA). Under this plan, teams could protect the top two-thirds (37 players) of their roster while leaving the other one-third (16 players) unprotected and able to offer their services to the highest bidding team. This essentially left the top players in a perpetual contract with the same team. Consequently, they were unable to offer their services to the highest bidder until they were waived, which was typically at or near the end of a player’s career. Thus, players were prevented from capitalizing on their skills while in their prime. The system benefited the owners, but not the players.

In 1992, the NFL was sued for antitrust violations and “Plan B” was declared illegal by a federal appeals court in Minneapolis, paving the way towards unrestricted free agency—an open market in which players can sell their services to the highest-bidding team after a player has accumulated four seasons of experience in the league once the contract with their most recent team has ended. This has opened the door for more players to become free agents, causing player salaries to rise due to teams bidding against each other for the players’ services.

The 1993 free agency system, however, is not completely “unrestricted.” The CBA is laden with conditions. A player does not qualify to be an “unrestricted free agent”
until that player has completed four or more accrued seasons and the contract with their most recent team has expired. It is not until this requirement has been fulfilled that a player is free to sign with any team with no compensation owed to his previous team. For a player to even become a “restricted free agent,” that player must first complete a minimum of three accrued seasons and have an expired contract with their most recent team. At that point, the player can shop his services to all teams in the NFL (32 teams with the Houston Texans’ expansion franchise beginning in the 2002-2003 season). If another team makes an offer to the restricted free agent, the player’s current team (which still owns the rights to that player) can match the offer and retain him because it has the "right of first refusal." If the competing team’s offer is not matched, the current team may receive a draft-choice as compensation from the player’s new team. Whether the current team receives a draft choice depends on the amount of the competing team’s offer (http://www.theganggreen.com/draft/draft/fa_terms.php).

**Revenue-Sharing**

The NFL’s revenue-sharing plan, ideally, is designed to financially equalize competition so that small-market teams (i.e., teams located in comparatively lower-populated areas such as Cincinnati and Pittsburgh) can compete with large-market teams (i.e., teams located in highly-populated areas such as New York, Chicago, and Los Angeles) in the pursuit of quality players.

Although there is a system intact that tries to equalize on-field competition through the sharing of certain revenues, it is haphazard at best. There are many sources of revenue that are not shared by all of the teams in the NFL. This furthers the financial disparity among teams, creating a league with a lopsided distribution of total team
payrolls. This has had a negative effect on the league because it has created an imbalance of competition among the teams.

All teams in the NFL equally share revenues from a variety of sources. Among these revenues that are shared include income from regular seating (i.e., general gate receipts), national media contracts (radio and television), NFL-licensed merchandise, and franchise fees received from expansion teams (Rosentraub, 1997, p. 57).

According to the Cincinnati Bengals’ Bill Scanlon, the home team receives 60% of the total gate receipts and the visiting team takes in the remaining 40% for regular season games; however, a 15% rent allowance is charged to the visiting team for the use of the home team’s stadium, bringing the total percentage of gate receipts received for the home team to 66% and the visiting team to 34% (personal communication, Sept. 18, 2000). Each team receives an equal share, or 50%, of the general gate receipts during pre-season games. Sharing gate receipts provides incentives for both teams to benefit from a stadium packed to capacity and to further equalize the economic disparity among all of the teams in the league. In 1992, for example, the Bengals brought in $11.2 million from gate receipts while the league average was $12.8 million [this total included home and away general ticket revenue] (Ozanian, 1993, p. 26).

Because Brown’s franchise netted revenues that fell below league averages, he said the Bengals needed 70,000 seats so that they could continue to make a profit and put a competitive team on the field. He argued that Riverfront Stadium was too small and did not contain enough regular seating. According to a 1991 survey by the Association of Luxury Suite Directors (ALSD), Riverfront Stadium’s seating capacity of 58,500 was the
fifth smallest in the league whereas the average for the rest of the teams, according to league figures, was 68,630.

As noted above, all NFL teams equally share national television (i.e., media) revenues which are collected from all regular-season, playoff, and certain pre-season games, as well as from the Super Bowl. The sharing of these revenue sources began in the 1960’s when television’s impact began to be felt (Rosentraub, 1997, p. 90). It is the largest source of revenue for all NFL teams, derived from contracts with television networks such as FOX, NBC, ABC, ESPN, and TNT, along with a contract with CBS radio (Rosentraub, p. 103). The media bidding wars have dramatically escalated since sports and television united. In 1987, the networks paid $1.4 billion for the rights to broadcast NFL games. For the 1990 media rights agreement, the networks paid the NFL over $3.6 billion. In 1994, the networks paid approximately $4.4 billion; and in 1998, the NFL negotiated financially unprecedented network television deals that netted them over $17.6 billion by selling the rights to broadcast their games over an eight-year span (Disney's ABC paid $4.4 billion for the rights to broadcast Monday Night Football; Disney's ESPN paid $4.8 billion for the rights to broadcast Sunday night games; Westinghouse’s CBS outbid NBC by paying $4 billion for the rights to air American Football Conference [AFC] games; and Rupert Murdoch-owned News Corporation’s FOX paid $4.4 billion to continue to broadcast National Football Conference [NFC] games). Since the last media contracts were signed in 1994, broadcast rights fees have nearly quadrupled, allowing each team to “pocket” over $500 million to commit towards player salaries and signing bonuses (http://www.pbs.org/newshour/bb/sports/jan-june98/nfl_1-14.html by Phil Ponce).
Another revenue stream shared by all teams in the league includes NFL-licensed products such as team jerseys, hats, jackets, and other team merchandise. And finally, the rarest form of revenue that is allocated equally to all teams involves franchise fees from expansion teams. The franchise fee is the cost of joining the elite membership of teams in the NFL and is the rarest form of revenue because it is not often that a new team is added to the league. However, when a new team is selected as a member to join the prestigious league, the individual or group granted a franchise is required to pay an admission fee. These fees are charged to new franchise owners just entering the league to help offset the existing teams’ loss of decreased revenues from their share of the national media contracts, NFL-licensed merchandise and visiting-team ticket revenues (Rosentraub, 1997, p. 107).

Rosentraub (1997) said the fees that are charged to individuals or groups who are granted an expansion team have been arbitrarily defined, but steadily growing (p. 13). Consider, for example, that when the owners of the Carolina Panthers and Jacksonville Jaguars joined the NFL in 1994, they each paid $140 million for the right to become league members (p. 14). However, when the new Cleveland Browns re-joined the league in 1999, owner Al Lerner paid $540 million for the team; Daniel Snyder, new owner of the Washington Redskins, paid $750 million; and the expansion Houston Texans’ new team owner, Bob McNair, offered $700 million in franchise fees for the right to own the team and join the league beginning in the 2002-2003 season (http://www.chron.com/cs/CDA/story.hts/page1/353582 by John Williams).

To assist owners in striving towards financial and competitive equality on and off the field, the NFL (in agreement with the NFLPA) implemented a salary cap so that each
team must limit the amount of revenues they commit towards the total player payroll of the franchise. The cap is set each year at a specified percentage of the expected NFL gross team revenue for the following year. Beginning in 1994—the first year of the new CBA—the salary cap was set at $34.6 million. From 1995 until 1997, the salary caps respectively were $37.1, $40.8, and $41.4 million (http://www.wesh.com/sports/516978/detail.html). In 1998, the salary cap, set at $52.4 million per team, amounted to an $11 million increase from 1997, due in large part to the enormous $17.6 billion television and media rights deals negotiated by the NFL.

With a salary cap in place, the idea is to allow small-market teams—those teams with the reduced ability to earn as high of revenue as large-market teams—the opportunity to financially compete for the best available players in the marketplace. By putting a ceiling on salary expenditures, a large-market team’s widely disparate earnings compared to small-market teams does not give the large-market team the ability to spend more on player salaries. However, the signing bonus deferment has created a loophole in which teams are actually spending more than the cap allows in a single year. This deferment allows a team to sign a player with a bonus without applying the full amount towards the cap in the year the player was signed. The amount a team can defer per year is calculated by dividing the amount of the bonus with the number of years the player is signed for. This is the amount that a team can defer every year until the player’s contract tied to this signing bonus is up. Overall, the salary cap creates a league of teams that is tending towards financial and competitive equalization on and off the field.

It is in the best interests of the league to strive toward competitive balance through the equal distribution of revenues. Comparably matched competition between
and among teams can create and maintain fan interest, preserving a cohesive and prosperous league. However, the NFL does not require its member teams to equally share or distribute all of their revenues. By not sharing in the equal distribution of all revenues, the financial disparity in off-the-field signings leading to the competitive disparity in on-the-field play among the teams is created and will remain a constant.

Through further analysis, implementation of a salary cap and the disbursement of national media rights fees (approximately $71 million per team over an eight-year period from 1998 to 2005 to cover the salary capped amounts of $52.4 million in 1998, $58.3 million in 1999, $62.1 million in 2000, $67.4 million in 2001, and $71.8 million as of 2002) would seem to adequately cover owners’ costs attributed to player salaries. The supplementary non-shared revenue would appear to be icing on the cake for owners to pocket as additional profits. However, with a closer look, the CBA contains a provision that allows signing bonus dollars to be deferred to future salary cap limitations, creating a loophole whereby teams are actually spending more per year than the salary cap permits. Signing bonuses count toward the cap, but are prorated over the length of the player’s contract. For example, if a player agrees to a six-year contract with a $12 million signing bonus, only $2 million is applied toward the salary cap each year for six years. This frees up additional money to be spent on other players (http://www.wesh.com/sports/516978/detail.html).

The downside to circumventing the salary cap, however, is that if the player is waived, traded, or retires, the remaining signing bonus that was deferred becomes payable immediately, in its entirety, and is applied to the team’s salary cap in that year. The effect this can have on a team or the league can produce the opposite outcome that
the NFL has tried to divert by implementing a salary cap. This, conversely, can create financial and competitive disparity throughout the league because the rich can pay

**Non-Shared Revenue**

The economic downfall leading to more inventive ways to reap profits as a sports team owner began in the 1970’s when Congress eliminated what was once a fruitful tax loophole (Bernstein, 1998). Before the Tax Reform Act of 1976, sports team owners were allowed to depreciate 95% of the cost of their players over a five-year span. Depreciation rules have tightened since, allowing owners to allocate no more than 50% of the acquisition price of a franchise to be written off in player depreciation. Owners can depreciate their players to turn what appears to be a loss into a profit. Unique to the corporate world, only professional sports teams are allowed to depreciate their employees (Staudohar, 1986, p. 147).

To illustrate this point, Mike Brown bought the Bengals for approximately $8 million in 1993. The IRS allowed him to take half of that sum, $4 million, and depreciate it over five years. This means that Brown could have taken $800,000 off his profits every year without paying any taxes on that. The flaw in this logic, however, is that players don't *depreciate* the majority of their playing lives; they *appreciate* (Zimbalist, 1992).

In the 1980’s, large-market teams began constructing new stadia with luxury suites using public tax dollars. Small-market teams needed to follow in the footsteps of large-market teams by building elaborate, new stadia with a plethora of luxury boxes in order to obtain or retain a competitive team on the field. Non-shared revenue, such as luxury suites, is at the heart of the new stadium craze. It is purported to create the difference between gaining a competitive edge with the capability to afford the best
players or fall behind in the win-loss column through the acquisition of non-blue-chip players. The relationship between the cost of a player and the dollar amount of a player’s contract is relative and does not necessarily equate to a player being better than another player who is paid less. However, the probability that a team will have a better win-loss record has been shown, historically, to increase due to the acquisition of more players totaling a higher, or the highest, team payroll in the league (salary caps notwithstanding).

With salaries escalating faster than traditional revenue-producers such as gate receipts and concessions, new sources of revenue are essential to a franchise’s on-field success. Luxury suites, club seats, and in-stadium restaurants are three sources of revenue not shared in the league that have become the pathways to financial success for team owners (Rosentraub, 1997, p. 6). This new economic environment in the sports world has teams relocating from one city to another.

A Case in Point: The Bengals’ Relationship with Cincinnati

With its inception in 1970, Riverfront Stadium was the common link among the city of Cincinnati, the Bengals, and the Reds. Both franchises signed leases with their landlord, the city of Cincinnati, to share the multipurpose facility. For most of their contractual obligation to these leases, the two sports teams were at odds with each other and the city for various reasons.

Throughout most of the 1970’s when the Bengals were in their infancy, the relationship they maintained with the city of Cincinnati concerning their stadium lease incurred minimal, if any, problems. It wasn’t until the latter stages of the decade that this harmonious relationship began to change. Paul Brown, then-owner of the Cincinnati Bengals, had been clamoring for the city to make repairs and add a sit-down restaurant to
Riverfront Stadium. In December of 1978, the Bengals filed a suit against the city for not appeasing them on this issue. The Bengals claimed that the city breached its stadium contract for failing to provide them with a restaurant (The Cincinnati Enquirer, July 21, 1979, p. D2 by the editors).

According to The Cincinnati Enquirer, the city’s Assistant Solicitor Robert H. Johnstone said the city was “under no obligation” to provide the Bengals with a restaurant according to the lease agreement. In addition, Mr. Johnstone said he’d heard that City Hall thought the in-stadium restaurant business “could end up being an economic loss for the city” (Feb. 18, 1982, p. D4 by Camilla Warrick).

The Bengals were also taking legal action against the city for not maintaining Riverfront Stadium’s structure. They felt that the safety of the fans and stadium employees was being compromised. They were also dissatisfied with the playing surface’s drainage system and wanted it replaced. In backing up the Bengals’ claims, the Reds also filed suit against the city with regard to the stadium’s structure and upkeep. They argued that Riverfront Stadium was “not properly constructed” or maintained. They also complained that the stadium’s concrete structures were deteriorating and that the AstroTurf™ playing surface was not properly draining because it was improperly installed (The Cincinnati Enquirer, Feb. 18, 1982, pp. D1, D4 by Warrick). According to The Cincinnati Enquirer, Paul Brown sought monetary reparations and release of the team from its stadium lease unless the city made these improvements (Feb. 11, 1982, pp. A1, A20 by Karen Garloch & Mike Dodd).
The Bengals’ Relationship with the Reds

The relationship between the Reds and Bengals had also taken a toll in their almost thirty-year “partnership.” The toll begged the need for separate stadia. The two-sport, multi-use stadium caused discord not only between the city of Cincinnati and its professional sports franchises, but also between the Bengals and Reds themselves on many issues. These problematic issues ranged from revenue production to configuration of the lighting (Riverfront Stadium contained a separate bank of lights that needed converted specifically for each sport) and seating systems.

Their confrontations existed for as long as the Bengals have had dissenting relations with the city. In the same suit the Bengals filed against the city over operations of Riverfront Stadium in 1978, the Reds insisted on being co-defendants with the city in the case. The reason the Reds became allied with the city was that the Bengals wanted scoreboard operations to be controlled by the city and not exclusively by the Reds. In 1977, the Reds signed a 10-year contract with the city to operate the scoreboard. Almost a decade later in 1986, the Reds were prepared to install a television scoreboard, but the Bengals did not support their efforts because they claimed it would impede the view of some of their fans situated at its location (Baim, 1994, p. 110).

Another problem the Bengals had with the stadium concerned seating configuration. In his on-going suit against the city since 1978 for changes and improvements to Riverfront Stadium and his desire for a new lease, Paul Brown was concerned with the configuration of the seating when the two teams’ seasons overlapped. Riverfront Stadium contains motor-driven movable seats to configure the stadium for either a baseball game or a football game (The Cincinnati Enquirer, Feb. 11, 1982, pp. 31
A1, A20 by Garloch & Dodd). When the Reds were in the post-season playoffs, which became a regular occurrence beginning in the mid- to latter-stages of the 1970’s, configuring the stadium seating became an issue during football season.

Team owners, city and county officials, and sports leagues have all learned from their past mistakes on this matter and have begun since the latter half of the 1980’s to build sport-specific stadia exclusively for one team. This avoids confrontation among all involved; however, other issues come to the forefront. In this era of franchise relocation in which sports team owners pick up their belongings and depart their host community—whether for “valid” reasons or not—stadia are left empty without teams to utilize them. This leaves the stadium owner (usually the sub-state government) stuck with the remaining lease payments, loss of in-stadium and parking revenues (depending on the lease agreement with the tenant), as well as lower sales tax revenue from patrons who would have spent their money on concessions and merchandise at the stadium. In addition, economic development for local businesses is discouraged as they take a hit on revenue production through the loss of pedestrian “traffic” entering their district on game days.

Since the late 1980’s, the major sports leagues such as the NFL and MLB have not supported, and do not support, the sharing of sports facilities. By having separate stadia, the sole tenant of each playing facility can reap all of the benefits without having to share with another franchise. Moreover, a single-use stadium provides it tenants with increased leverage of the host city—if the team leaves, the stadium serves no other purpose! One of the most valuable benefits includes the gift of a new stadium funded almost entirely by taxpayers. Local sub-state governments that foresee sports stadia
(along with the teams that use the stadia) as economic boosters to their region are often willing to subsidize a new, state-of-the-art facility in return for a team’s agreement to locate, remain, or relocate to that city. It has now become commonplace since the 1990’s for stadium owners to include in their tenant’s (i.e., sports franchise’s) lease agreement entitlement to almost all of the revenue generated at and in the stadium. Such revenue includes parking, concessions, in-stadium advertising, luxury and club seating, gate receipts, and personal seat license (PSL) revenue (if a new stadium is being built or renovated).

Architecturally, the geometry of stadia is an issue. Football stadia tend to be oval-shaped, allowing more prime sideline seats. Baseball parks tend to be smaller, containing less seating, and are usually more V-shaped with seats closer to the field than in an ideal football facility (The Cincinnati Enquirer, Mar. 17, 1996, pp. A1, A4 by Richard Green & Anne Michaud). In the case of Riverfront Stadium, neither Cincinnati professional sports franchise was in the “ideal” facility for their sport. Riverfront Stadium is completely round; a circle. This was a factor in the on-going spate of confrontations among the triangular relationship involving the city, Bengals, and Reds. The seating configuration as well as the lighting configuration of the stadium were just two examples of the compromises that had to be reached. There were numerous other examples such as locker room use, layout, and configuration that could be examined, but that is beyond the extent of this paper.

The Mike Brown Intervention

In 1993, Mike Brown threatened to relocate the Bengals to another city if the city of Cincinnati did not pursue construction of a 70,000-seat stadium with 100 luxury boxes
and 7,000 club seats. He had complained since 1991 that Riverfront Stadium was economically obsolete. His franchise netted him $8 million dollars profit while at Riverfront Stadium in 1993. Brown complained that this amount of revenue would not be enough to sustain a competitive team, and that remaining at Riverfront Stadium in its current low revenue-producing state would be economic suicide. His dissatisfaction with the stadium’s saucer-like architectural design (which could be designated as being physically obsolete by today’s standards), lower-than-desired seating capacity, lack of in-stadium restaurant, and inability to provide the average number of luxury box suites and club seats in the league, were major factors that led to his relocation threats.

Brown’s primary concern was with Riverfront Stadium’s lack of in-stadium revenue-producing amenities—those that are not shared with the rest of the teams in the league. In 1993, Brown’s franchise brought in stadium revenues from Riverfront Stadium totaling $900,000. The league average was $2.1 million [stadium revenue included luxury suites, club seating, concessions, parking, and in-stadium advertising.] (Ozanian, 1993, p. 26).

In terms of luxury box seating, Riverfront Stadium contained 20 suites while the average number of suites in an NFL stadium is approximately 100. In 1991, according to a survey by the Association of Luxury Suite Directors (ALSD), NFL teams generated $113 million (an average of $4 million per team) in revenue from private boxes and club seating. However, the Bengals were among only a handful of NFL teams that earned nothing from luxury seating. All revenue from the luxury suites were retained by the city of Cincinnati—the landlord of Riverfront Stadium—who leased the stadium to the Bengals (The Cincinnati Enquirer, Nov. 14, 1993, pp. A1, A4 by Brennan).
Luxury box suites are personal living-room type entertainment spaces that can be leased by businesses or individuals. They have between eight and sixteen seats for viewing games. Tickets for the games are either purchased separate from, or included in, the lease price. Suite leases vary in price from team to team, but $75,000 to $100,000 per annum is not uncommon (Rosentraub, 1997, p. 93).

The fact that Riverfront Stadium was absent of club (i.e., premium) seating contributed to Brown’s lower total revenues and his demand for a new stadium with 7,000 club seats. With club seats, fans pay extra for amenities such as armchair food and drink service, and these seats are usually more comfortable than regular stadium seats (The Cincinnati Enquirer, Dec. 1, 1994, pp. A1, A16 by Green). The club-seating environment also usually offers wider aisles (Rosentraub, 1997, p. 93).

In-stadium, sit-down restaurants are another non-shared revenue source that owners desire to be included in their new stadia. As Troy Blackburn (the Cincinnati Bengals’ director of stadium operations) explained, Riverfront Stadium was originally supposed to contain a sit-down restaurant, but the city never followed through on the development. As already noted, the Bengals then filed a suit against the city in 1978 for its inaction to construct a restaurant in the stadium (personal communication, May 23, 2000). According to The Cincinnati Enquirer, Assistant City Solicitor Robert Johnstone said the thinking at City Hall concerning a sit-down restaurant in Riverfront Stadium was that it “could end up being an economic loss for the city” (Feb. 18, 1982, p. D4 by Warrick). That kind of thinking is why the city and Bengals wound up situated in the position they found themselves.
Corporate, in-stadium advertising is also an important rising source of revenue for owners. As the price of tickets continue to increase, more high-income fans are attending sports events, making stadia more valued as advertising venues. Another form of stadium advertising that has caught on within the last decade is naming rights. The rights fees paid by sponsors to get their company name in bright lights beamed across a stadium can net a stadium or franchise owner millions of dollars per year. Cincinnati originally had plans of selling their stadium name to the highest bidder, but opted instead to name it in honor of the founder of the Cincinnati Bengals, Paul Brown—Paul Brown Stadium.

Personal or Premium Seat Licenses (PSL’s) are also an ever-increasing non-shared revenue source that was first introduced when the NFL expansion Carolina Panthers needed to come up with a creative solution to the stadium-funding problem that it was having from non-sports supporting taxpayers. To finance construction of a stadium in Charlotte for the Panthers in 1994, the ownership devised a premium-seat-licensing (PSL) program. PSL’s are merely rights to purchase season tickets that can be sold or transferred by its owner to any individual. Since PSL’s are not ticket revenues, they are not part of the revenue-sharing requirements of the NFL (Rosentraub, 1997, p. 92). The selling of the PSL’s generated approximately $100 million of the $160 million needed to construct the Panthers’ new state-of-the-art football stadium (Osterland, 1995, p. 107).

Each NFL team earns revenue from the local radio and television broadcasts of regular-season games as well as revenue from the local radio and television broadcasts of pre-season games (Rosentraub, 1997, p. 103). Although MLB does, the NFL does not have a revenue-sharing policy in place through which revenue from large-market franchises with higher media revenues are transferred to small-market teams that don’t
typically have the opportunity to amass large media revenues (Rosentraub, p. 90). To illustrate the income disparity of media revenues between teams in large markets as compared to teams in small markets, here is an example. New York, Chicago, and Atlanta receive higher fees because they are in large media markets. These local television stations, or cable and “superstation” media moguls (MSG, WGN, and TBS, respectively), pay their selected geographically local teams more for the rights to broadcast their games. Teams in smaller markets, such as Cincinnati, usually cannot obtain a contract with a large cable television company to earn hefty media revenues. It is, however, becoming more common for media companies to own sports franchises, even in smaller markets (p. 6).

Media revenues for the Bengals in 1992 totaled $35.4 million. The league average was $36.1 million. This average included national TV, local TV, cable TV, pay-per-view, and radio contracts (Ozanian, 1993, p. 26). This is just another example of the Bengals falling below the league average in revenues, which continually reinforced Mike Brown’s demand for a new stadium to increase his in-stadium revenues.

An indirect source of revenue for team owners is team value appreciation. Teams can rise in value because of franchise scarcity. The popularity of the league and the limited number of franchises increase the value of the franchises. Construction of a new stadium for a particular franchise also increases the value of that franchise (Rosentraub, 1997, p. 110). Increased team values equate into enhanced returns on their investment. After all, the bottom line of owning a business is to make a profit. Owning a professional sports franchise is no different (Rosentraub, p. 12). When Mike Brown and his family secured majority ownership and controlling interest of the Bengals in 1993 (at a cost of
only about $8.2 million for 329 of 586 outstanding shares in a deal with one of the major shareholders), the value of the franchise while making its home in Riverfront Stadium was estimated at $128 million. In 1999, Forbes Magazine estimated that the team was worth approximately $394 million. That is an increase of over 200% due in large part to the new football stadium that was being constructed with an abundant number of luxury boxes and club seats. As has been shown, the additional value a new stadium brings to the worth of a franchise can be extremely lucrative, especially when taxpayers foot the bill. Indeed, the increasing value of a franchise may make the whole idea of “norms of reciprocity” vis-à-vis the community irrelevant; owners are increasing their personal revenues regardless of how well a team performs.

**Economically Obsolete Stadium**

When Riverfront Stadium was built in 1970 to replace the rundown Crosley Field, it was considered a savior to Cincinnati’s downtown development. Although it was a saucer-like, multipurpose stadium that was used to house two professional sports franchises (i.e., MLB and NFL teams), at the time it was considered to be a state-of-the-art facility. Other cities such as Houston, Pittsburgh, Philadelphia, and St. Louis duplicated this saucer-like design and used them to share between their two professional MLB and NFL franchises. The main objective for professional sports teams in the 1960’s and 1970’s was to have a stadium built for the ever-growing television industry. Less than 25 years after Riverfront Stadium was built, it was considered economically obsolete—hopelessly outmoded and incapable of generating sufficient income (The Detroit News, April 7, 1996, p. A1 by George Cantor).
One year before Brown’s famed relocation threats, the Bengals’ franchise was valued at $128 million; $1 million below the NFL average of $129 million. A factor that franchise appraisers use in calculating a team’s value is the venue the franchise calls its home. Because of Riverfront Stadium’s lack of revenue-producing amenities and outmoded architectural style, the value of Brown’s franchise was ranked below the average value of all of the teams in the NFL. The Bengals’ total revenue amounted to $49.5 million; $3.8 million below the $53.3 million league average (Ozanian, 1993, p. 26). Because the Bengals continually fell below league averages in revenues, Brown’s demand for a new stadium to increase his total revenues (namely from non-shared, in-stadium revenue such as luxury suites) seemed justified. With their total revenues and in-stadium revenue well below league averages, a very low player payroll, and a losing record, Mike Brown felt a sense of urgency to obtain a new stadium that would provide him with a profitable and winning contingent.

Franchise Relocation

According to Howell (1984), franchise relocation is nothing new. The professional football league formed in 1920 that would two years later be renamed the current National Football League, was very familiar with what Howell referred to as the “revolving door franchise.” NFL teams of the 1920’s and early 1930’s formed, relocated from city to city, and then disappeared without a trace (p. 65). Not only did the teams of the past encounter unstable lifespans, but the leagues in which they belonged succumbed to the same instability. This was not a coincidence. As teams developed, folded, re-emerged, and relocated, the leagues these nomadic and evanescent teams were affiliated to inevitably influenced their stability. A positive correlation, thus, existed and
the team-league relationship has since been altered by controlling franchise expansion.

To help prevent the “revolving door franchise” predicament from arising in the future, owners of the NFL banded together with preference to limiting the number of teams in their league. With this limitation, franchises could maintain their options to relocate for the good and the interests of the league with league approval under certain circumstances, such as the lack of fan support (Rosentraub, 1997, p. 89). Aside from a lack of fan support, other situations that a league can take into account in permitting a team to move include geographical balance, financial viability, population, economic projections, and quality of facilities (Staudohar, 1985, p. 731).

However, these issues are not overriding factors in today’s relocation decisions. They have more to do with the subsidies franchise owners receive toward new stadia and leases from the respective community in which they are located or from the community that has lured them (Rosentraub, 1997, p. 16). For example, the Cleveland Browns’ average home game attendance from 1990-95 was more than 75,000, they had the highest TV ratings in the NFL, and 72% of Cleveland taxpayers approved a $175 million tax increase to rehabilitate Memorial Stadium. But despite fan loyalty and financial support, the Browns left for Baltimore in 1995 to enjoy a fancier, more heavily subsidized stadium and lease than the Cleveland community offered (Morris & Kraker, 1998). With this move, Art Modell (former Browns’ owner) also increased his personal net worth with the increase in value of the franchise.

**Logic of Capital Accumulation**

Most cities are interested in expanding their business climate to obtain or preserve a healthy urban economy. The objective of fulfilling this philosophy of business
development entails a large dose of political rendering. Cities must enter into what Schimmel (1987) called “urban politics,” whereby cities must compete with other cities (i.e., intra- and inter-city competition) for capital investment to administer the needs of the public and private sectors (p. ii). If the needs of a city’s business infrastructure are not provided for, any business capital whose needs are not met within the infrastructure can disinvest from the respective municipality in which it is located. This disinvestment can occur because of the mobility of capital. And, it should also be noted, that disinvestment decisions often involve consideration of labor market costs—capital has always had the tendency to move to areas where labor costs are lowest.

To compete with other cities concerning the locational decisions of businesses in the site-selection process, local governments must offer incentives as a provision to develop their economy (Schimmel, 1987, p. iii). As Kantor (cited in Swindell & Rosentraub, 1998) enlightened us, locational incentives have long been offered to private businesses in industries other than the sports industry by state and local governments. Such incentives that are offered consist of tax abatements, low-interest loans, and facility and infrastructure development (p. 12). With this in mind, why not subsidize a stadium as a persuasive tactic in the acquisition or retention of a sports franchise?

According to Schimmel (1987), the public subsidies awarded to most sports franchises include below-market rents for their use of publicly owned stadia, and property tax abatements (i.e., foregone property tax receipts) for privately owned sports facilities (p. 10). In this seller’s market, communities commonly offer to build new facilities for franchises then offer their lodging rent-free to teams they are courting. This municipal competition is a strong disincentive for private owner involvement in stadium
projects. To pay for these new stadia, a variety of taxes are levied including special, broad-based (or user) taxes. As we will see in the coming chapters, taxpayers subsidize stadia for the supposed tangible (i.e., economic) and intangible (i.e., civic pride) benefits perceived by them with the acquisition or retention of an NFL franchise.

Rosentraub (1997) labeled this subsidization of sports franchises a corporate welfare system. He noted that the welfare taxpayers are divvying up towards new stadia is nourishing team owners’ desires to relocate to another community where their desires will be fulfilled (p. 16). This “franchise free agency” of teams essentially selling their presence via construction of new stadia to the highest metropolitan bidder did not become a standard in the NFL until the 1980’s when the former Oakland Raiders moved down the California coast to Los Angeles in 1982. This set off a host of ensuing relocations in the 1980’s and 1990’s (Rosentraub, 1997, p. 373). The propositions of lucrative incentives by competing cities allowed sports franchises to shun league agreements which, in turn, undermined the collusive power of the league’s cartel (Ingham et al., 1987, p. 443).

To illustrate this point, let’s take a look at Rule 4.3 of the NFL Constitution. It asserts that a franchise cannot partake in the relocation process without approval of a majority, or three-fourths, of the NFL owners should the franchise decide to relocate beyond a 75-mile radius of their home metropolitan area. Because Baltimore was luring the Bengals with a more attractive incentive package than the city of Cincinnati, the Bengals were tempted by a competing city with an opportunity to breach its agreement with the NFL concerning relocation. Had the Bengals emigrated to Baltimore (located more than 75 miles from Cincinnati), a “between-monopoly” market relocation would have occurred, violating Rule 4.3 of the NFL Constitution and undermining its collusive
power [a “within-monopoly” market relocation occurs when a franchise moves to another city within the same greater metropolitan area or within a 75 mile radius of the city center. This would not be in violation of Rule 4.3.] (Rosentraub, 1997, p. 420).

Although a violation would have occurred with a move to Baltimore, it is unlikely the NFL would have attempted to prevent the move as it had done so in 1980 when it tried to halt Al Davis, owner of the Oakland Raiders, from relocating to Los Angeles. The NFL challenged the move, contending that stability of its teams was necessary “for the orderly operation of the league” (Howell, 1984, p. 88). They asserted that although NFL teams compete against each other on the field, owners must cooperate with each other off the field in order for the league to exist. Davenport (as cited in Howell, 1984) termed this “required collusion.” In its lawsuit, the NFL considered itself a single entity, not a conglomerate of separate enterprises (p. 90).

The NFL’s suit was challenged by Davis in a lawsuit which claimed the NFL violated the Sherman Act of 1890—the principal antitrust law. This act was passed by the federal government to control the growth of trusts—business firms that engage in monopolistic practices to prevent competition (i.e., restrain trade) in the free marketplace. The NFL has an exemption from antitrust law pertaining to the pooling of broadcast income, but that is the only exemption it enjoys (Rosentraub, 1997, p. 77). Davis never received approval to move his team, but he continued with the move to Los Angeles anyway. The NFL eventually lost its battle with Davis and the California courts—to curtail the geographical location of teams in the league—as it lost the antitrust suit (Ingham et al., 1987, p. 441). The case was tried under the “rule of reason” standard which allowed the NFL to offer evidence that special circumstances justified its
anti-competitive practices that might otherwise be in violation of the Sherman Act. Although the case was tried under the rule of reason, the Raiders (and the L.A. Coliseum Commission) were confident that the NFL violated antitrust laws by complying with Rule 4.3 of the NFL Constitution. The L.A. Coliseum Commission was a party to the suit because, by confining the Raiders in Oakland, the NFL restrained competition among stadium operators; and in this case, the L.A. Coliseum Commission was being denied the opportunity to engage in free market trade. The court ruled that this was an unjustified action by the NFL, especially since the NFL was unable to show that it would be economically injured by the Raiders’ relocation, or that there would be an increase in competition to the NFL if the Raiders had not relocated (Howell, p.89). With this ruling, the NFL has not challenged a move since.

Among the “between-monopoly” market franchise relocations that have not been challenged since the NFL’s suit against the Raiders in 1980 include the Baltimore Colts to Indianapolis (1982), the St. Louis Cardinals to Phoenix (1988), the Los Angeles Rams to St. Louis (1995), the Los Angeles Raiders back to Oakland (1995), the Houston Oilers temporarily to Memphis (1996) then as the Tennessee Titans to Nashville (1998) and the Browns from Cleveland to Baltimore (1999). The NFL threatened to challenge the Bengals’ move to Baltimore if it had taken place in 1995, but it is unknown whether the NFL would have actually followed through on this threat since the relocation did not happen.

We have thus far seen the interconnected relationship that occurs between a city and the team (or teams) that it hosts when faced with threats of relocation. In the
following chapter, we will see how this relationship is exploited for and against a city in an urban revitalization project.
I now focus on the contingencies and multi-determinations leading to Cincinnati’s urban redevelopment scheme. Cincinnati perceived itself as being in an urban crisis because it was faced with an economically declining core. The flight of many businesses to the suburbs and other regions, along with the inability to attract residents and visitors to its borders, contributed greatly to its gradual economic, social, and physical decline.

Moreover, in a post-Fordist economic environment, the once central industries possessing a high level of industrialized labor had been overtaken by a decentralized strategy of outsourcing production, and by downsizing at the original plants. The recipients of this strategy may benefit for the time that their contributions were needed, but many businesses folded as the “least labor costs” associated with outsourcing transplanted capital investment to other less expensive labor markets. In addition, the general tendency of capital to seek the lowest labor market costs also means that many production sites are being shipped overseas, primarily to “third world” labor markets. For many American cities, the logic of flexible capital accumulation has added to their woes.

The economic state of the city suffered as the inner-city population declined, resulting in a low tax base from which to draw revenues. Socially, the city core was losing its middle- to upper-class socioeconomic population. The perception was that the region was methodically becoming culturally depleted. Physically, the built environment making up the tangible aspects of the city was being left unoccupied and unattended without tenants (whether business or residential) to fill the gaps. The disinvestment of
cultural capital from Cincinnati’s urban region was believed to be attributed chiefly to its overabundant investment in a bricks-and-mortar corporate environment.

To combat these effects experienced by Cincinnati’s downtown environment, the Cincinnati region concentrated on a strategy of redevelopment centering on the construction of two new stadia for its professional baseball and football franchises. The redevelopment scheme was focused on a tract of land along the northern shores of the Ohio River, known as Riverfront West, where stadia and other development were planned. With new stadia and other publicly funded investments proposed, local officials hoped an influx of private capital would follow, increasing the likelihood that a successful rebirth of downtown Cincinnati would result.

A sports stadium was the solution to boosting a lifeless downtown in Cincinnati’s past. Urban planners were attuned to the idea that a stadium (or two) could restore downtown’s vitality. Strategies of pro-growth and ideologies of boosterism other cities have adopted in their attempts to revitalize their urban core, specifically in reference to the building of stadia, are often borne out of threats by the owners of professional sports franchises. A professional sports team’s ability to mine subsidies from its local government through threats of relocation not only stems from the limitation of the number of teams in the NFL, but also from a sub-state government’s conviction that the political solution to their downtown’s fiscal descent can be resolved through the construction of a stadium, or stadia, as part of its redevelopment strategy. After going through a multitude of intra-city locational decisions, specifically with regard to the areas of Riverfront West and Broadway Commons, the Bengals’ new stadium location was at long last decided upon, nestled on Riverfront West (far west) property alongside the Clay
Wade Bailey Bridge. This decision set the process in motion of renewing Cincinnati’s urban environment.

The Downfall of Downtown Cincinnati

In the 1960’s, many of America’s Midwest cities experienced significant declines in population of middle- to upper-class residents and the loss of businesses to the suburbs. The economic downfall of industrial America with respect to post-war recessions and the so-called flight of white, urban middle- to upper-class residents earned Midwest cities the collectively infamous nickname of “Rustbelt” cities. The term “Rustbelt” signified that a city was not as socially, physically, and economically vibrant as it once was.

With capital fleeing to the suburbs, to regions with lower labor costs, and to third world production sites, tax bases remaining for city governments to collect from were weak due to the residually high proportion of low-income residents living within their boundaries. Without sufficient economic flow going into cities’ coffers, the central cities would collapse, and as Lipsitz (cited in Schimmel, 1987) noted, cities would not be able to fund all of the necessary projects and services for the urban residents (p. 27). Due to this economic deficiency, an urban crisis was at hand (Schimmel, p. v).

At this same time, “Rustbelt” cities such as St. Louis and Cincinnati were looking for ways to lure businesses to rejuvenate their deteriorating downtown cores. Their solution was to build new, state-of-the-art sports facilities. Since government officials buy into a sports team and its stadium’s ability to spur economic development, they bid for an expansion team or plead to its local electorate to subsidize a new stadium for its current team to reap the supposed benefits. The city of Cincinnati and Hamilton County
followed this blueprint to construct two new stadia for their professional baseball and football franchises in the 1990’s. In March 1996, taxpayers voted in favor of a 0.5% increase in the county sales tax to fund them. Issue 1, as it was called, was sold to county residents as an investment in economic development to re-inject “life” into its once-again “decaying” downtown.

Riverfront Stadium Tried to Revive Downtown

In 1967, the Cincinnati Reds’ professional baseball club played their home games in a downtown stadium known as Crosley Field. It had been a fixture in Cincinnati for many decades. The neighborhood surrounding Crosley Field as well as the stadium itself was deteriorating. It was theorized that, as a result of the physical conditions of the neighborhood and the stadium, attendance at Reds’ games suffered. The Reds, not happy with their situation, wanted a new home to play in.

During this time, New York’s two professional baseball clubs had departed the Big Apple for the California coast. To fill the void left by the former Brooklyn Dodgers and New York Giants, New York officials looked to other cities in order to “steal” their sports teams. The Cincinnati Reds were on New York’s list as a target for relocation (Baim, 1994, p. 110). This was an incentive for Greater Cincinnatians to appease the Reds with a new stadium.

Another incentive for Cincinnati taxpayers to approve a bond issue for the construction of a new stadium concerned the former owner of the Cleveland Browns’ football franchise, Paul Brown, who was in the market to establish a professional football team in Cincinnati. Provided the city of Cincinnati would build a new stadium, the NFL would grant him a franchise. In 1968, Hamilton County taxpayers approved the issuance
of bonds to finance a new stadium to be built on the “decaying” riverfront in downtown Cincinnati. With the idea of boosting its lifeless downtown, preventing the Reds from heading to New York and keeping the team downtown, and bringing NFL football to the Queen City, Cincinnati constructed what was once considered a state-of-the-art, multipurpose sports facility (http://enquirer.com/editions/1998/02/09/loc_stadium.html by Lucy May).

According to Schienseson (as cited in Baim, 1994), the location on the riverfront was selected with the hope of revitalizing downtown’s central business district (p. 110). The new stadium, which would be called Riverfront Stadium, cleared out a jumbled stretch of railroad tracks and deteriorating warehouses along the Ohio River shoreline. Parking garages were assembled along the southern edge of downtown to enable future development to utilize the unoccupied space. However, not much development was ever realized on the banks of the Ohio River adjacent to the new stadium. It augmented the development of only a minimal number of new restaurants and clubs, and it had been surrounded mostly by parking lots and produce warehouses (The Detroit News, April 7, 1996, p. A1 by Cantor). During its “useful life,” Riverfront Stadium did little in the area of spurring economic development for the city.

David Phillips, Chief Executive Officer (CEO) of Downtown Cincinnati Incorporated (DCI), understood that free-standing projects such as Riverfront Stadium cannot revive a downtown by itself. He said that a project must be tied in with the streets of downtown (The Detroit News, April 7, 1996, p. A1 by Cantor). The principal enigma shadowing Riverfront Stadium’s infrastructural climate was its lack of pedestrian and vehicular interconnectedness with the streets of downtown Cincinnati. At the time, one
of Riverfront Stadium’s “advantages” was its access from and outlet to the interstate highways. Phillips recognized that you must get people out on the streets walking to spur development. The idea is to get fans in attendance at games to get to the downtown area beforehand or stick around afterwards to enjoy the surroundings and turn the trip into a total experience by frequenting adjacent restaurants and clubs.

Because of Riverfront Stadium’s setup with a moat of parking lots and very few restaurants or shopping areas close by, events held there were single-destination stops. Chema (1996) observed that multi-use stadia built in the late 1960’s and early 1970’s were specifically designed to be apart from the city. The design characteristics give the impression more of a fort than a marketplace… The relatively few urban venues might as well have been in suburbs because they were separated from their host city by a moat of surface parking. These facilities became and continue to be isolated attractions. People drive to them, park on surface lots, enjoy the events in the building, and then go home. This… does not generate economic development spin-off. (p. 20)

Cincinnati’s new Paul Brown Stadium, constructed in 2000, has been envisioned as the centerpiece of a development complex to curtail this so-called “single-destination” phenomenon. With respect to the new stadium, Phillips said that people will not just attend a ballgame, but enjoy a whole experience (The Detroit News, April 7, 1996, p. A1 by Cantor).

Cincinnati Must Invest in its Downtown—Deja Vu

Downtowns are very important to any city or region. The city of Cincinnati is the cultural, religious, and governmental center of the region. It is also the Tri-state’s (Northern Kentucky, Southeast Indiana, and Southwest Ohio) principal economic base. In 1993, of 800,000 jobs in the region, 82,000 were located in downtown. A majority of these jobs consisted of white-collar, high-paying jobs that contributed a heap to the city’s
cash box through the city’s 2.1% personal earnings tax. In 1992, $181.3 million was generated by this tax. Of that, 70% was raised from downtown jobs. Nine of the 10 largest property tax and personal income tax contributors were located downtown, and $5.4 million (80%) of $6.8 million the city was to collect in parking fees was from downtown. In addition, twelve of the city’s 15 fortune 500 firms had headquarters downtown (The Cincinnati Enquirer, July 25, 1993, pp. A1, A6 by Richard Green & Jeff Harrington). As Mayor Qualls proclaimed, “Downtown is the cash cow of the entire city. The money generated by a healthy downtown benefits the neighborhoods. It’s how other projects citywide can be funded” (The Cincinnati Enquirer, Jan. 16, 1994, p. A15 by Green). All of this appears to contradict my previous appellation of Cincinnati as “Rustbelt.” However, there was beginning to be a perception by dominant parties in the city that a decline was settling in again.

Cincinnati business executives’ and government officials’ perceptions that their downtown was struggling and in a declining state were officially realized when The Cincinnati Enquirer published its results of a month-long examination of the status of downtown. They concluded that the downtown region was struggling economically and that something needed to be done to revive it. Their concerns of a faltering downtown economy were due to the projected consequences that would occur. Such consequences they feared that would surface included an uneducated work force, high crime, a low tax base, and the inability to provide basic social and city services (July 25, 1993, pp. A1, A6 by Green & Harrington). A strategy of pro-growth was unavoidable. Without an injection of new life into the city’s core, it was sure to wither away.
The city of Cincinnati had been losing businesses to the suburbs and seeing empty storefronts over an extended period of time, causing alarm and concern for its survival. Since 1982, the downtown region had seen longtime retail stores such as Newstedt-Loring Andrew and Burkhardt’s close while nearby restaurants saw an insufficient flow of patrons meander into their establishments. The disinvestment of retail and business capital from the downtown area took its toll. In addition to the loss of businesses, long-envisioned projects such as the expansion of the convention center and Fountain Square West had been talked about for years, but nothing had been done (The Cincinnati Enquirer, Aug. 1, 1993, pp. A1, A6 by Green & Harrington).

William Hudnut, a Cincinnati native and former mayor of Indianapolis for 16 years who helped revitalize that city’s downtown, said that cities must promote their downtown revitalization plans to counteract the suburbanization trend. The most notable catch phrase he reiterated throughout his revitalization campaign in Indianapolis was: “You don’t find places that are suburbs of nowhere” (The Cincinnati Enquirer, Aug. 1, 1993, p. A6 by Green & Harrington). He passed this phrase on to Cincinnatians along with a plea for them to save their downtown or they’d regret their passivity.

To aid Cincinnati in its strategy for redeveloping downtown, an organization known as Downtown Cincinnati Incorporated (DCI) was created. It was formed in October 1993 to save Cincinnati’s downtown by re-injecting new life into it. Its responsibilities included bringing more jobs, money, and excitement to the downtown region. Only a month after its creation, DCI formed the Cincinnati Vision Task Force (CVTF) in November 1993. It was a coalition made up of 15 corporate, governmental, and political leaders from around the Tri-state with a mandate to conceive of a strategy to
make downtown a magnet for shoppers, residents, and tourists. Special funds were created to support this effort.

One such fund, the Cincinnati Development Fund, was formed for the specific purpose of aiding in the prevention of decreased building, property, and corporate valuations in the downtown region. Downtown corporations were highly concerned with the monetary consequences of a deteriorated downtown, so they decided to take action since it would directly affect them. With its world headquarters positioned in downtown Cincinnati, Procter & Gamble contributed $25 million to the fund. This monetary contribution was to support developers pursuing high-profile, financially daring ventures such as new stadia and the expansion of the convention center (The Cincinnati Enquirer, March 7, 1995, p. A1 by Green).

Public officials and executive leaders were in agreement with efforts to revitalize downtown. But it was the promotion of stadia through public subsidization that caused division amongst civic officials, business leaders, and the general public. Relations between business executives and City Hall politicians were already strained. The composition of both groups had changed considerably and there was not much trust on either side. As City Councilman Nick Vehr remarked, “They aren’t working off the same page” (The Cincinnati Enquirer, Aug. 1, 1993, p. A6 by Green & Harrington).

To succeed in the achievement of a new downtown vision, improved relations between the two sides was imperative. A case in point is illustrated by the successful outcome demonstrated in Cleveland during its reconstruction period of the 1980’s. The uncharacteristic alliance between City Hall and its business community paved the way for a $4 billion construction boom in its downtown that boosted its image and sloughed off
its “Mistake on the Lake” sobriquet (*The Cincinnati Enquirer*, July 25, 1993, pp. A1, A6 by Green & Harrington). “Experts” (the organic intellectuals of the dominant interests?) now refer to Cleveland as a model for downtown revitalization. This has led many cities and organizations to visit and observe its rebirth.

The Greater Cincinnati Chamber Of Commerce (GCCC) and Cincinnati Business Committee (CBC), along with local government officials, traveled to Cleveland to observe that city’s downtown transformation to get ideas for themselves. More than $4 billion had been invested in the revitalization campaign over an eight-year span to convert Cleveland into a magnet for tourists, suburban shoppers, and relocating companies. Cleveland officials developed various projects along the Lake Erie shoreline, constructed the Gateway Complex (a $380 million venture that included a 42,600-seat ballpark for the Indians’ baseball club and a 21,000-seat arena for the Cavaliers’ NBA franchise) south of its public square, and redeveloped an entertainment district of clubs and restaurants called “The Flats” along the Cuyahoga River (*The Cincinnati Enquirer*, Jan. 26, 1994, pp. A1, A4 by Green). Obviously, for those in Cleveland that this development mattered to and for those who sought to emulate it, consumerism—not rehabilitation—was the key to revitalization.

Another city of note that took a pro-active stance in the 1980’s by redeveloping its downtown neighborhoods was Indianapolis. Long reputed as “‘Naptown” because of the perception that there was nothing to do but sleep, Indianapolis focused its attention on becoming the world’s home of amateur sports. Many amateur sports organizations such as USA Wrestling, USA Track & Field, and the National Collegiate Athletic Association (NCAA) [moved in 1999 from Overland Park, KS] call Indianapolis home. In addition,
they built what was the Hoosier Dome (now the RCA Dome) to obtain the NFL Colts’ franchise from Baltimore in 1982 and doubled the dome as a space to attract conventioneers. Indianapolis was able to accomplish all of this by injecting almost $2 billion into their economy to obtain growth in the downtown region (The Cincinnati Enquirer, July 25, 1993, pp. A1, A6 by Green & Harrington).

Additionally, when we compare the downtown investments of Cleveland and Indianapolis in the 1980’s, Cincinnati’s public and private investment during that same period looks bleak. Between 1980 and 1990, Cincinnati invested only about $692 million into its downtown, whereas Indianapolis (just mentioned) spent approximately $2 billion (The Cincinnati Enquirer, Aug. 1, 1993, pp. A1, A6 by Green & Harrington).

Cincinnati officials had become aware of the consequences of the inactive stance they had taken in the past and were prepared to take action. The city responded to its urban crisis with an ambitious pro-growth campaign that sought to invest public capital to spur private investment of capital in the downtown central business district. This growth initiative resulted in an ambitious redevelopment strategy aimed at economically revitalizing the riverfront with family- and entertainment-type venues. Sports stadia would be the catalyst driving the entire redevelopment offensive.

**Downtown Cincinnati is Too Business-Oriented**

In 1982, city officials had a vision of what Cincinnati would be like in the year 2000. This vision, called the “Year 2000 Plan,” was originally designed to restore downtown Cincinnati to a more prosperous condition through the development of office towers, apartment buildings, hotels, and retail stores. More than a decade after its initial emergence, the Year 2000 Plan successfully obtained its goal. Ironically, it may have led
to its downtown’s demise. Why? Nothing set it apart from any other city. There was nothing unique about it. Cincinnati’s political, corporate, and civic leaders needed to devise a new plan that would set it apart from other cities (The Cincinnati Enquirer, Aug. 1, 1993, pp. A1, A6 by Green & Harrington).

In January 1994, urban developers and architects from around the country were invited to Cincinnati to offer their views of the positive and negative aspects of its downtown as well as offer visions for the future of downtown Cincinnati. Their conclusions were homogeneous—that downtown Cincinnati was a “dull, corporate ghetto”—one that was not fun. Specifically, Stan Eckstut, principal of Ehrenkrantz & Eckstut Architects, said the city assembled a successful business environment, but that Cincinnati’s downtown lacked fun, romance, and spontaneity. This lack of a jovial atmosphere to complement its business-oriented infrastructure programmed individuals, in a sense, to avoid the downtown scene once the workday ended—“People go to work. People go home,” declared Eskstut (The Cincinnati Enquirer, Jan. 22, 1994, p. B4 by John Eckberg).

Downtown has been the workplace of America since the migration of communities into suburbia. It has traditionally served primarily as a city’s central business district—a place where bankers, accountants, and insurance adjusters have gathered to conduct business. But now we are seeing a trend in which the citizenry are emigrating back to the trading center with more than just a business agenda. According to Richard Bradley, president of the International Downtown Association (IDA) of Washington, D.C., these once-abandoned areas are returning to become the center of a community they once were—a place where people live, work, and play all within
walking distance. IDA is an organization that assists cities in rebuilding their downtowns into thriving metropolises—keeping them alive once the workday ends. To rebuild today’s downtown cannot be done using traditional strategic planning, said Bradley. Fun and excitement must exist to stabilize the business-oriented infrastructure (The Cincinnati Enquirer, Aug. 1, 1993, pp. A1, A6 by Green & Harrington). The question is: “Fun for whom?”

Families-First Concept Envisioned for Downtown

Without merriment to complement the business-oriented milieu, the inner-city infrastructure will meet its decline—and in Cincinnati, it had. With the “dull, corporate ghetto” label attached to the minds of Cincinnati’s leaders, the Cincinnati Vision Task Force (CVTF)—a coalition formed to find a solution to revitalize downtown—took urban developers’ advice of orienting their development theme around families. The task force’s strategy was to make Cincinnati a magnet for families, concentrating on projects that complemented the city’s tourism staples such as parks, museums, theaters, and sports teams.

New York architect Stanford Eckstut, who specialized in urban waterfront and “gateway” projects, was the first to mention the idea of emphasizing a family-oriented theme (The Cincinnati Enquirer, Mar. 11, 1994, p. A4 by John J. Byczkowski). His philosophy on the way to approach the rejuvenation of a downtown was very refreshing and simple:

Look at your downtown through the eyes of a child. Think of the things a child likes, the excitement it generates. That’s how you bring vitality in a city, not by building more office towers. Cincinnati is a conservative city where emphasis always has been placed on families. Extend that to your development strategy. (The Cincinnati Enquirer, Jan. 23, 1994, p. A10 by Green)
Many urban planners said the strategy of focusing on families was the answer to Cincinnati’s downtown problems. They believed that people would flock to reside in its unfilled apartments and give retail stores the boost they needed to stay afloat. A key component to the acceptance of this proposal concerned the aspect of funding. To get the appropriations needed to turn this dream into reality, those who would be paying for it would need to accept it. With the “families-first” concept envisioned, business executives, politicians, and government officials were confident it would gain acceptance by local communities because all would benefit. Bannus Hudson, DCI chairman and CEO of U.S. Shoe, agreed in rhetorical fashion, “How can you be against apple pie and motherhood?” (The Cincinnati Enquirer, Jan. 23, 1994, p. A10 by Green)

Some of the developments Cincinnati envisioned to turn the riverfront into a family entertainment district included a multi-screen movie complex/3-D theater, sports-oriented retail stores, parks, and a National Underground Railroad Freedom Center—a tourism/consumerism orientation with little attention paid to the rehabilitation of the city per se.

The concept, however, was not embraced by all. There were some downtown developers and urban planners who were concerned that a riverfront wholly encompassing a family entertainment district would undermine downtown’s core (Flynn, 1998). The recreational vision, though, was nothing new to Cincinnati. It had been trying to lean in that direction since the 1948 Metropolitan Master Plan—an outline on how to transform the riverfront into a recreational area. Nothing happened with the plan until 1962 when voters passed a $6.6 million bond issue to begin the process of building such things as Riverfront Stadium, the Serpentine Wall, parks, Riverfront Coliseum (now
Firstar Center), and apartment buildings along the Ohio River shoreline (http://enquirer.com/columns/pulfer/1998/03/031798_lp.html by Laura Pulfer). The recreational vision continued in 1988 when Cincinnati opened a riverside park named Bicentennial Commons at Sawyer Point. It featured an entertainment pavilion, tennis courts, sand volleyball courts, an outdoor skating rink, and a fishing pier. However, all of these projects were constructed along the eastern portion of the Suspension Bridge. Produce warehouses, parking lots, and a couple of restaurants were all that occupied the western portion of Cincinnati’s downtown shoreline, known as Riverfront West (http://enquirer.com/editions/1997/08/28/loc_riverfront.html by May).

**Visions to Revitalize Downtown**

When Cincinnati officials began evaluating their redevelopment strategy, they knew that they wanted something that stood out from other cities. They were well aware from outside sources that nothing set them apart, which partially contributed to the downfall their downtown was experiencing. Some of Cincinnati’s own natives, however, did not need input from outsiders on this issue. Dwight Hibbard, a Downtown Cincinnati Inc. (DCI) executive, offered these words on his take on the status of Cincinnati’s image: “If someone asks me what makes Cincinnati distinctive, I can’t answer it. There’s no color, no excitement. That has to change” (The Cincinnati Enquirer, Nov. 9, 1993, p. A1 by Green). But what form would the “color” take? Once again, sport was the answer.

Stadia were to be the foundation of the overall urban renewal project. When the county was looking for an architect to design the new football stadium, their vision was for something unique—something that no one else had. They envisioned the new stadium as a landmark that would identify the city, like the Space Needle in Seattle or the
archway in St. Louis. The county ultimately selected the architectural firm, NBBJ Sports & Entertainment, to design the Bengals’ new stadium. Bedinghaus went with NBBJ specifically because they had never designed an NFL stadium, so the county knew the firm would have to be creative. The mistake Cincinnati made when they built Riverfront Stadium was that they went with a cookie-cutter design that other cities such as Pittsburgh, Philadelphia, and St. Louis mimicked during the early 1970’s. Bedinghaus said the county did not go with HOK Sport, the firm that designed Riverfront Stadium, because they did not want the cookie-cutter effect again. They wanted a firm that had a refreshing approach to football stadium design (The Cincinnati Enquirer, Oct. 24, 1996, p. B1 by Hobson).

In Cincinnati’s initial solution to rebuilding its weakened core, it had gone back-and-forth on the subject of whether to rebuild Riverfront Stadium and build a new stadium for one of the teams, or build two new stadia for both the Reds and Bengals. It also included plans to possibly expand the convention center and incorporate other development projects such as an aquarium and a park. But before anything could happen, officials needed to obtain funding for the projects.

**Visions Narrowed by the State**

In their search for support, officials looked to the state. They had a list of projects they sought funding for to restore their city’s downtown to glory. The problem, however, was that they had to compete with other cities’ needs before getting approval from the state in order to receive any of the projected $1 billion from Ohio’s 1995-96 capital improvements budget. The money was designated for long-term improvement projects for Ohio cities and college campuses. Of the conditions to be met, the money was to be

Of the projected $1 billion the state was to have set aside for improving its cities’ images, Cincinnati originally sought to claim an almost 40% stake (or $359.5 million) by filing a list of approximately ten projects. Ohio Senate President Stanley Aronoff (R-Cincinnati), native of Cincinnati and the second most powerful statehouse player besides then-Governor George Voinovich, did not approve of such an enormous requisition. He issued a decree for the city to reduce the size of their request and focus on only one or two projects in order to increase the likelihood of receiving the state’s monetary endorsement (The Cincinnati Enquirer, Oct. 13, 1993, p. A1 by Richard Green & Dick Kimmins).

The city cooperated with Aronoff by limiting its list of requests and dollar amount to $19.5 million. Their list included $6 million to renovate Riverfront Stadium, $1.1 million to study expansion of the convention center, and $4 million to plan development and acquire land on Riverfront West property. But the top priority the city had listed struck a bad chord with Aronoff. He was surprised that renovation of the stadium was number one on their list and said their request was unrealistic and impractical because he knew there would be little statehouse support for financing stadium repairs. Aronoff warned that state legislators typically prefer spending capital dollars on long-term projects as opposed to interim planning ventures. City Manager John Shirey defended his and city council’s actions by arguing that the Reds and Bengals were not only important assets to the city and the region, but also to the entire state. Cincinnati needed the support of Aronoff, the Senate majority leader, or the issue would likely neither pass the Senate

The city was trying to make good on its promise to the Bengals in an agreement they struck in December 1993 that would provide $21 million worth of improvements to Riverfront Stadium. One such improvement included the cost of constructing an additional 60 to 90 luxury suites. In order to fund the project, Shirey and the city had planned to use $15 million from the city’s stadium fund and obtain the remaining $6 million from the state. But Aronoff was not budging on the issue of spending state dollars on a project considered to be an interim fix.

Mayor Roxanne Qualls and a majority of city council decided that downtown’s top needs included a $21 million renovation of Riverfront Stadium and development of the riverfront. There was very little outward support by council to obtain state funds for expansion of the convention center, reasoning that riverfront improvements would do more for downtown’s immediate vitality than expansion of the convention center.

However, business leaders of DCI were overwhelmingly determined that expansion of the convention center was the answer to downtown’s vitality, boosting traffic and sales to the area’s downtown stores, restaurants, and hotels. Business leaders desired an expanded convention center because the original version was too small (162,000 square feet). Events prompting this decision were due to an increase in trade show organizers that explicitly stated their intentions of moving their show to other cities with more spacious convention centers (The Cincinnati Enquirer, Dec. 19, 1993, pp. A1, A18 by Green).
The city’s regressive thinking by focusing their attention on spending state money for the refurbishment of an outdated facility was overturned by Aronoff’s progressive thinking to spend the funds on a new stadium built on the western shores along the Cincinnati riverfront. The city decided Aronoff’s suggestion made sense and decided to throw out their request to improve an old stadium and instead apply state funds toward construction of a new stadium. They sought $1.2 million to plan for a new stadium and even increased their state dollar request to $3 million to study the possibility of expanding the convention center (The Cincinnati Enquirer, Jan. 4, 1994, p. B1 by Crowley). Ohio’s General Assembly ultimately approved the city’s request of state funds toward a new stadium. Governor Voinovich was personally involved in helping Cincinnati retain the Bengals as he pledged to pay 15% of the stadium complex’s cost.

In 2000, the total cost of the football stadium had grown to over $544 million, expansion of the convention center had not been realized, and the business community had been grumbling about being excluded from the decision-making process. What was never excluded from talks was the property west of Riverfront Stadium and the Roebling Suspension Bridge, known as Riverfront West. The longstanding debates and indecisions regarding this stretch of land, considered Cincinnati’s “front door,” were not concerning whether anything should go there, but what should go there. This had been an ongoing debate for over 30 years and continued to be a source of irresolution.

**Riverfront West**

In 1982, the city of Cincinnati had drawn up plans to develop the land between Riverfront Stadium and the Clay Wade Bailey Bridge. This tract of property known as “Riverfront West” was made up of approximately 75 undeveloped acres. The area,
considered to be the last frontier for downtown development, was viewed as one of the most valuable gems in the city. Home to parking lots and produce warehouses, this land was envisioned as the centerpiece of the city’s renaissance. Some of the ideas urban planners and developers envisioned building on this land included a new stadium, hotels, office buildings, an aquarium, a canal, waterfalls, a movie production studio, and a host of other projects (The Cincinnati Enquirer, June 5, 1993, pp. A1, A7 by Harrington).

Plans to develop this property in the past have been drawn and dumped various times for various reasons. Over the last 15 years, some downtown activists and observers encouraged City Hall officials to shelve development along the riverfront because they feared massive construction west of Riverfront Stadium would stifle growth uptown. Officials never found a proper mix of developers and concepts to continue with any projects suitable for the site (The Cincinnati Enquirer, May 12, 1995, pp. A1, A12 by Green).

The 1982 plans to develop this site were contained in the city’s Year 2000 Report (The Cincinnati Enquirer, June 30, 1995, p. A7 by Richard Green, Laura Goldberg, & Anne Michaud). Of the developments envisioned for that area, a new football stadium was included in the report (The Cincinnati Enquirer, June 5, 1993, p. A1 by Harrington). The Cincinnati Enquirer, however, stated only that the area was possibly reserved for a new stadium in general, but it did not give specifics in terms of who would be the beneficiary (Sept. 17, 1993, p. A1 by Green).

The Riverfront West land was owned mostly by the city, county, and Robert Castellini, produce magnate and the largest private landowner in the city. The city and county owned most of the Riverfront West property just west of Riverfront Stadium and
the Roebling Suspension Bridge. Hamilton County owned the lots, but the city controlled the air rights. Castellini owned most of the Riverfront West property to the far west abutted against the Clay Wade Bailey Bridge to the east. The rest of the shoreline of Riverfront West was owned by many other produce firms and restaurant owners with a smaller stake in the total acreage. Castellini, whose family owned much of the land since 1896, had considered developing the area with hotels, restaurants, and other consumer-related amenities in the past, but nothing ever came of the propositions (The Cincinnati Enquirer, Nov. 9, 1994, pp. A1, A9 by Green).

Robert Castellini owns the Castellini Co., one of the largest independent produce suppliers in the U.S. It has been in existence since his grandfather founded it in 1896, in which Castellini took over operations of the business in 1968. He was active in the community as a member of DCI, was part owner of the Baltimore Orioles, and was once a shareholder of the Texas Rangers’ baseball team. These are the financial manifestations of a love of sports. He had been involved in various projects in the past for the site that had gone unfulfilled. In 1989, he bought 17 acres of Riverfront West (far west) property from CSX. His companies and the family trust owned about 25 acres at the site (The Cincinnati Enquirer, Mar. 27, 1994, pp. A1, A6 by Mike Boyer & John J. Byczkowski).

In May 1991, Castellini’s Riverfront Development Company (RDC) unveiled a plan for developing six acres. He hired San Francisco architect William Turnbull, who also designed Adams Landing condominiums near Sawyer Point along the river in Cincinnati. Castellini envisioned an entertainment complex of floating restaurants on the river. But 1991 was not a good time to build. The nation was in a recession that negatively affected commercial real estate. The city’s economic development department
was not interested in developing the site at the time and Castellini didn’t want to invest in projects that would not be surrounded by anything else (The Cincinnati Enquirer, Mar. 27, 1994, pp. A1, A6 by Boyer & Byczkowski). He and Turnbull also feared that the entertainment complex was too much like the entertainment complexes across the river in Northern Kentucky. Castellini officials were said to be concerned with market saturation and decided to scrap those plans for a new vision (The Cincinnati Enquirer, Dec. 16, 1993, pp. C1, C3 by Green).

Castellini began investigating development possibilities again for the riverfront site in 1993 at the height of the city’s redevelopment talks. This time Castellini’s new partner was Forest City Enterprises (FCE) of Cleveland (The Cincinnati Enquirer, Mar. 27, 1994, pp. A1, A6 by Boyer & Byczkowski). Forest City’s CEO, Albert Ratner, was working on a deal to develop 17 riverfront acres just west of Riverfront Stadium with Castellini’s Riverfront Development Co. The plans were to bring a host of commercial enterprises such as office buildings, apartments and condominiums, retail stores, boutiques, restaurants, and clubs to the site (The Cincinnati Enquirer, Dec. 16, 1993, pp. C1, C3 by Green). According to The Cincinnati Enquirer, Castellini and Ratner had even assured that the project they had been scheming would not hinder future construction of a stadium that political and regional business leaders envisioned immediately west of the Roebling Suspension bridge (May 11, 1995, pp. A1, A10 by Green). To be sure, The Cincinnati Enquirer’s Green may have added that Castellini and Ratner would likely have profited from this lack of interference had a stadium been built on Castellini’s land.

In May 1993, then-City Councilman Peter Strauss insisted that the city begin planning riverfront development on the central and western shores of the Ohio River.
Just two years later in June 1995, just days after approving a 1% increase in the county sales tax to fund two new stadia for the Bengals and Reds, Cincinnati unveiled a $315 million redevelopment plan to reserve space for a new stadium just west of Riverfront Stadium on county-owned parking lots (The Cincinnati Enquirer, June 30, 1995, pp. A1, A7 by Green, Goldberg, & Michaud). The county considered building riverfront stadia for both the Reds and Bengals simultaneously, leaving Riverfront Stadium intact until both were built. A suggestion was that both stadia could be separated from each other on about 75 acres between the Roebling Suspension Bridge on the east and the Clay Wade Bailey Bridge to the west. The city’s grand scheme had development projects located in-between the two sports facilities. Such projects included a park, aquarium (now appropriated by Covington, Kentucky), marina, Underground Railroad museum, and restaurants.

But separating the stadia with other development in-between would run up the costs because parking garages would have to be built. The city and county had to decide whether to separate the stadia or build them side-by-side so that the teams could share parking facilities. With the latter scenario, their grand scheme with development projects in-between stadia would have been ruined (The Cincinnati Enquirer, June 8, 1996, pp. A1, A6 by Anne Michaud & Geoff Hobson).

With one of the stadia being located at Riverfront West (just west) as opposed to being located at Riverfront West (far west), stadium costs would be reduced because the stadium would be located on land the county already owned (or planned to receive from the city). It would remove any negotiating hurdles with private riverfront landowners,
namely Robert Castellini (The Cincinnati Enquirer, July 11, 1996, pp. A1, A8 by Michaud). This would turn Castellini’s gamble sour.

Mike Brown and Marge Schott both lobbied for the Riverfront West (just west) site that was being used as parking lots during Bengals’ and Reds’ games as a location for their possible new stadium. Brown first announced his desire for the spot in September 1993, two months prior to his initial relocation threats (The Cincinnati Enquirer, Sept. 18, 1993, pp. B1, B3 by Harrington). His original announcement of the location went rather unnoticed; that is, until Ohio Senate President Stanley Aronoff recommended the area for a new stadium instead of refurbishing Riverfront Stadium.

Brown and Schott both favored the site because of its easy access to and from Interstates 71, 74, 75, 471, and 275; its proximity to downtown offices; and because parking would have been available at Riverfront Stadium (The Cincinnati Enquirer, Nov. 9, 1994, pp. A1, A9 by Green). Brown wanted to remain on the riverfront also because fans would have views of the river, and he perceived the location to be safer—safer than the area known as Broadway Commons in Over-the-Rhine, a neighborhood known for its violence (The Cincinnati Enquirer, June 8, 1996, pp. A1, A6 by Michaud & Hobson). The Reds, however, believed that they should have been located on the riverfront’s prime location, just west of Riverfront Stadium, because they play 81 home games per year whereas the Bengals only play about 10 home games per year. City and county officials were adamant about one of the teams being located at Broadway Commons to help revitalize the wounded neighborhood of Over-the-Rhine, but these were some of the excuses given by team officials to avoid locating there. I’ll get more in-depth on this issue later in the chapter.
Two urban consultants the county hired to help determine the location of the stadia, Urban Design Associates (UDA) and HOK Sport (HOK), favored two widely separated stadia on Riverfront West. By March 1996, they both favored the new Bengals’ football stadium to be located on the far western riverfront of Riverfront West against the Clay Wade Bailey Bridge. This design allowed for development between the stadia to include an Imax theater, museums, and restaurants. But this design also represented the most substantial land cost of all of the options, and Brown was concerned that the far west location was too far from parking. Aware of these problems, UDA recommended locating parking to serve both stadia, downtown businesses, and other attractions.

The two consultants, UDA and HOK, differed on where the Reds’ new stadium would be best located. HOK Sport recommended that the baseball stadium be located just west of the Roebling Suspension Bridge while UDA suggested that the new Reds’ stadium be located in place of Riverfront Coliseum (The Cincinnati Enquirer, Nov. 15, 1996, pp. C1, C5 by Michaud).

The Bengals and the county preferred the new football stadium to be located just west of the Roebling Suspension Bridge. The city, however, favored the far west site on Riverfront West land for the Bengals’ stadium location. The just west site would have been a problem because the Bengals and the county had two city agencies—Riverfront Advisory Committee (RAC) and City Planning Commission (CPC)—arguing for the stadium to sit as far west as possible to open more of the riverfront to new development.

The county had the final vote on where the Bengals’ new stadium would be located. But cooperation from the city was crucial to getting the stadium built by the 2000 football season, which was promised in the Bengals’ new lease. The city owned much of
the land the county needed to build the stadium and it had re-zoning authority. Its traffic engineers would have had to approve a re-routing of Pete Rose Way to fit a football stadium at the Bengals’ desired location. The just west site desired by the Bengals and county was estimated by UDA to cost less than the far west site ($58.9 million compared to $63.4 million) and it offered a better chance that the football parking spaces would also serve downtown businesses since it would have been built closer to downtown (http://bengals.enquirer.com/020997_stadium.html by Michaud).

The Bengals ultimately agreed to place the new stadium on the western fringe of the riverfront because Mike Brown said the community would be best served by that. The Bengals signed the deal with the county in May 1997 to have the stadium built on Riverfront West (far west) land. The county then acquired all of the land from the Clay Wade Bailey Bridge to the Roebling Suspension Bridge to develop a park, an Underground Railroad Museum, and a new football stadium—but not a baseball stadium (The Cincinnati Enquirer, Feb. 14, 1997, pp. A1, A6 by Michaud). The Bengals were able to get a new stadium before the Reds because Brown had more leverage than the Reds at the negotiating table. He had more leverage because NFL teams can get approval to relocate more easily than baseball teams. As already noted, the NFL had seen four of its member franchises relocate or threaten to relocate from their host city from the time Brown initially threatened to relocate in 1993, whereas MLB had not seen any teams relocate in recent years.

The prime location desired by both owners, Riverfront West (just west), was not endorsed by Mayor Qualls. She was against a new stadium being so close to Riverfront Stadium because it would have hampered development of other projects at Riverfront
West and put a glitch in the city’s grand urban revitalization scheme (The Cincinnati Enquirer, Nov. 9, 1994, pp. A1, A9 by Green). The plot of land just west of Riverfront Stadium was declared off limits for the development of stadia in November 1996. It was to remain a public space reserved for parks or institutional uses such as an Underground Railroad Freedom Museum. An issue that came to the forefront on why the area just west of Riverfront Stadium was declared off limits to stadia concerned the Reds because they were now out of a new stadium at a location for which they’d already been approved. The Reds had originally been approved for the site by the CBC, the same site Brown and the Bengals wanted. But it was said that the county had a verbal contract with the Bengals that no other sports team would get the site if the Bengals couldn’t have it (Cincinnati Business Courier, Mar. 17-23, 1997, pp. 1, 49 by Dan Monk). This was not confirmed, but the fact that the Reds’ stadium was not built at the location brings up very suspicious assumptions concerning collusion by the county and Bengals at the expense of the Reds and Marge Schott.

**Rebuild Riverfront Stadium**

In June 1994, Schott discussed interest in purchasing Riverfront Stadium with a view to renovate (The Cincinnati Enquirer, June 4, 1994, p. A1 by Green). She hired an architect to re-design Riverfront Stadium to make it a baseball-only, football-only, or a combination facility to analyze the feasibility of purchasing the stadium (The Cincinnati Enquirer, Sept. 3, 1994, pp. A1, A4 by Green). Schott decided not to purchase Riverfront Stadium when she learned from HOK Sport that it would have cost $44.4 million to convert it to a baseball-only stadium plus an additional $40 million to repair the stadium’s parking garage (The Cincinnati Enquirer, Sept. 13, 1994, p. A1 by Green).
In November 1994, Brown also considered purchasing a rebuilt Riverfront Stadium. This consideration occurred during the uncertainty that surrounded the issue of whether the city would fund a new stadium for the Bengals or Reds. When Brown learned of HOK Sport’s study conducted for Schott just one month before, his inquiry revealed that renovation to convert Riverfront Stadium to a football-only facility would have cost $48.3 million in addition to $40 million needed to repair the parking garage. Upon receiving this information, he immediately rejected the idea and opted instead to revert back to his demand for a new stadium. He supplied financial data of a rebuilt Riverfront Stadium that included 53 luxury boxes and 9,300 club seats that would earn an estimated $55 million less than what other NFL franchises expect to make from their stadia from 2000-2010. With this financial shortfall, the Bengals would theoretically be uncompetitive during those years (The Cincinnati Enquirer, Nov. 9, 1994, pp. A1, A16 by Green). It would merely be speculation whether this was simply just rhetoric.

Certainly, The Cincinnati Enquirer’s staff reporters did not raise the issue, and wittingly or unwittingly, they had distanced the facility “problems” from other sources of revenue that were available to Brown (see the previous chapter).

In May 1995, Brown’s interest in a rebuilt stadium was re-ignited when a HOK Sport representative told Brown that it was possible to rebuild Riverfront Stadium to meet his demand for 70,000 regular seats, 100 luxury boxes, and 10,000 club seats. One of the problems of rebuilding the stadium was that the Bengals would have had to play their home games on the road at a temporary location. At one point, Brown said he was willing to play home games on the road for two or three seasons (The Cincinnati Enquirer, May 17, 1995, p. A1 by Hobson). HOK Sport told Brown that Riverfront
Stadium could be rebuilt for $110 million in no more than 19 months and the Bengals would have only had to play home games away from downtown for just one year (The Cincinnati Enquirer, May 20, 1995, pp. A1, A5 by Green & Hobson).

Brown’s interest in a renovated Riverfront Stadium, however, dissipated after the Reds received approval for a new stadium at Riverfront West (just west) by the Cincinnati Business Committee (CBC), and after Brown had attended the NFL owners’ meeting in Phoenix in May 1995. There, he became familiar with new stadium plans other host cities had been developing for their NFL franchises. He came to the conclusion that a renovated stadium would not solve the financial dilemma owners in the NFL have been subjected to in the NFL’s escalating economy. He felt renovation would not hold enough luxury boxes and club seats to keep up with the NFL’s revenue stream. He also determined that a rebuilt stadium would not be able to sell personal seat licenses (PSL’s) to fans because they would perceive the stadium as being old (The Cincinnati Enquirer, June 1, 1995, pp. A1, A14 by Hobson).

To get his much sought-after new stadium, Brown suggested demolishing Riverfront Stadium and its garage and rebuilding a new stadium at its location. He said the Bengals would be willing to temporarily play their home games elsewhere such as at Ohio Stadium in Columbus, Nippert Stadium at the University of Cincinnati, or even at the University of Kentucky’s Commonwealth Stadium in Lexington (The Cincinnati Enquirer, Nov. 9, 1994, pp. A1, A16 by Green). Rebuilding at the current Riverfront Stadium site had enormous drawbacks, though, because of cost and time. The Bengals would not have begun collecting revenues from a new facility for about eight years and
the question of where they would play their home games during construction arose again (The Cincinnati Enquirer, July 11, 1996, pp. A1, A8 by Michaud).

There were other solutions in the works by city and county officials in terms of providing stadia to its professional sports franchises in its response to combating the decadence that was encompassing Cincinnati’s downtown core. Urban rejuvenation was being limited to just one sector of downtown: the riverfront. But local officials and business leaders sought to kill the proverbial “two birds with one stone” by attempting to spread the stadium bonanza across different parts of the city with the hope of restoring two neighborhood communities as opposed to just one.

Broadway Commons

In September 1994, restauranteur Jim Tarbell led a group of supporters who envisioned a ballpark wedged along Broadway, Reading Road, and Court Street. Tarbell, owner of a restaurant in the location, said the area was safer than any other area in the city because it was located across from the Hamilton County Justice Center. A new ballpark in the area was desirable to upgrade the area by attracting investment and redevelopment dollars (The Cincinnati Enquirer, Sept. 30, 1994, p. B1 by Green).

The Broadway Commons publicity campaign by Tarbell and his group of supporters caught the interest of city and county officials. They supported separating the proposed new stadia and were convinced that a new stadium at the Broadway Commons site would help redevelop the rundown and crime-ridden Over-the-Rhine and Pendleton neighborhoods. An example in which redevelopment of a crime-ridden neighborhood was successful using a stadium as the revitalization tool took place in Cleveland where the Indians’ new baseball stadium, Jacobs Field, opened in 1994. Just two years after its
opening, 91 million redevelopment dollars had been re-injected into the neighborhood surrounding the stadium. The redevelopment dollars went toward “clean up” (usually a euphemism for the dislocation and relocation of the urban minority poor, and for an increase in the military style of policing of those that remained) and modernization of the former high-crime, red-light district. The importance of this example is the fact that Jacobs Field is a baseball stadium. Baseball stadia are typically in use throughout the week during their long season, with each team in MLB utilizing its facility 81 times (i.e., home games) per year. In contrast, football stadia are routinely in use only 10 Sundays each year. The number of times teams use these facilities is dependant upon, and increased by, the number of preseason and, if any, playoff (or post-season) games played in these stadia (http://enquirer.com:80/columns/radel/1996/06/061296_cr.html by Cliff Radel). In other words, Jacobs Field would produce higher revenue streams for retail- and service-sector businesses than a football-only stadium. City and county officials were not concerned whether a football or baseball stadium was built at Broadway Commons, just as long as one of them was.

In June 1996, the Bengals’ new stadium was mentioned as an option to be built at Broadway Commons. HOK Sport, a sports architectural firm hired by the county to study the Broadway Commons site, said a football stadium at the site was feasible, but contained many problems: The fit would be very tight; the topography would not accommodate an adjacent practice facility; the lighting, noise, and crowds would bother the neighbors; the roads would need widened; and a stadium constructed there would have required a zoning change. A zoning change would have enhanced city control of the process, something the county tried to avoid (The Cincinnati Enquirer, July 11, 1996, pp.
A1, A8 by Michaud). Another disadvantage of the site involved the issue of parking. By separating the Reds’ and Bengals’ stadia with one on the river at Riverfront West and one at Broadway Commons, the teams would not be able to share parking, and costs would rise with the advent of more parking garages constructed at both sites. With side-by-side stadia at Riverfront West, the teams would be able to share parking facilities and reduce the costs associated with the stadia.

In terms of development, some indicated that a problem with locating a stadium at the Broadway Commons site was that it could possibly draw fans away from the riverfront and impair the city’s original grand plan of an urban economic district. Nevertheless, Dan Dell, an owner of a bar near the proposed stadium site in Over-the-Rhine, supported a new stadium at the Broadway Commons site for development reasons. He remarked:

> My fear is if we put two stadiums [sic] and half a billion dollars on the riverfront, our riverfront is going to be gorgeous. My fear is it’s going to blow everyone else out of the water. They’re not going to go anywhere but the riverfront. They’ll go to the games and go home. (The Cincinnati Enquirer, June 27, 1996, p. A4 by Michaud)

On the contrary, Mike Brown was against the site; not because successful development in the area spurred by a new stadium located at the site could possibly draw attention away from the riverfront and spoil the city’s grand scheme, but because of the variety of reasons he had cited, mentioned previously. The “grand scheme” was the city’s vision; the view of the Ohio River (as well as the more convenient access to the Interstate highways, and the increased safety perceived at the riverfront location) was Brown’s vision. His dislike of the Broadway Commons site was so strong that he hinted towards additional threats of relocation if lease negotiations were halted due to civic leaders’
insistence on placing the new football stadium at Broadway Commons. Brown was so
determined to remain on the riverfront that he held a press conference to announce the
results of a 15-page poll that he financially supported which showed that 66% of 500
county voters polled preferred a new football stadium on the riverfront. The poll revealed
that a majority of voters agreed that the riverfront location for the stadia was more
important for the city than the location at Broadway Commons. Officials retorted that if
they had paid attention to polls, the proposed new stadia would not have been a reality in
the first place because polls conducted in early March 1996 had Hamilton County
residents against the project (The Cincinnati Enquirer, June 14, 1996, pp. B1, B5 by
Geoff Hobson & Howard Wilkinson).

In July 1996, the Reds became the front-runners for the Broadway Commons site.
HOK Sport gave their list of reasons for recommending baseball for the site. Their
contention was that baseball stadia historically fit more easily into neighborhoods. They
argued that their scale has been found to be less disruptive of residential areas and the
high number of events they host helps support food service and entertainment businesses,
which encourages development in the area (The Cincinnati Enquirer, July 11, 1996, pp.
A1, A8 by Michaud). Schott threatened to move the Reds out of town if the county tried
to build a ballpark at Broadway Commons. She said a ballpark at the site would be no
place for families because it would be located across from the prison and boarded-up
buildings. It may also be asserted that Schott rejected this location because she realized
that the Bengals were in command as far as city and county officials were concerned.
Therefore, the problems concerning Over-the-Rhine may not have been as relevant in
relation to Schott’s refusal than were the jealous guarding of the Reds’ primacy status in Cincinnati and the reverence granted to Brown over her.

To counteract the crime-ridden stigma attached to Broadway Commons, the area’s crime statistics were announced. Police said the perception of crime in and around the proposed stadium site at Broadway Commons was worse than reality. Over-the-Rhine led Cincinnati neighborhoods in violent crimes in 1996 with 135 reported from January through March. But the neighborhood of Pendleton was closer to the proposed stadium site. It reported only 16 violent crimes in the same period. In many ways, the proposed stadium site paralleled the old warehouse district of Denver, Colorado. North Larimer, Denver’s version of Over-the-Rhine, saw a commercial rebirth of restaurants, bars, and galleries once Coors Field, home of the Colorado Rockies’ baseball team, opened in 1994. Violent crime decreased around Coors Field since the opening of the new stadium, but according to Chris Eiss, a research specialist with the Department of Safety in Denver, larceny and petty crime increased (The Cincinnati Enquirer, June 13, 1996, pp. B1, B12 by Tanya Bricking).

Whether the area was truly safe or not, or a new stadium constructed on its grounds would have rejuvenated the neighborhood, neither team appeared to care. Each wanted their new stadium located on the river. In their defense to remain on the river, they pointed to campaign literature to raise the “stadia sales tax” and the Memorandum of Understanding (MOU) signed by the city and county which referred to construction of both stadia on the riverfront. Even with the region subsidizing the stadia, neither team cooperated with the city or county on their wishes to redevelop Broadway Commons using a stadium as an economic stimulant. To better understand how Broadway
Commons became an issue in locational decisions involving the Bengals and Reds, implementing the use of a stadium to economically rekindle the Broadway Commons area (i.e., Over-the-Rhine) came in response to the city’s rejection in 1994 from the Department of Housing and Urban Development’s (HUD’s) newly developed Empowerment Zone (EZ) program.

Empowerment Zone

Just weeks into Roxanne Qualls’ election as mayor in 1993, she mentioned in her “State of the City” address that she wanted to use her position while in office to focus attention towards eradicating Cincinnati’s impoverished neighborhoods that had been overlooked for so long. At that time, the city sought redevelopment dollars to stimulate economic development in their downtrodden neighborhoods through this new EZ program.

The EZ program was conceived in 1993 under the Federal Omnibus Budget Reconciliation Act through the U.S. Department of Housing and Urban Development under the Clinton Administration. Empowerment Zones were HUD’s answer to economically and socially revitalizing areas located in the most impoverished urban and rural areas, encumbered by inadequate housing and high levels of poverty and unemployment (often due to a lack of community development funding). The Empowerment Zones are designed to help eliminate poverty in these neighborhoods by stimulating the creation of jobs, commercial activity, housing, and other development through cash grants, tax credits, and tax breaks to property owners, businesses, and developers within the designated zones. Many cities vying for the EZ designation were selected in 1994. Cincinnati applied for the “Round I” Empowerment Zone designation,
but was not selected. Following HUD’s rejection to grant Cincinnati EZ status in the first phase of selections in 1994, the city looked elsewhere to revitalize its impoverished neighborhoods.

Without Empowerment Zone funds, Qualls’ chance to realize her redevelopment vision (and the idea by urban consultants) to separate the proposed new stadia so as to stimulate economic development in two areas of the city (one stadium on the riverfront and the other stadium amidst an economically depleted area) was suborned by those whose interests influenced the isolated construction of new stadia. City and county officials agreed with the rationale of separating the stadia, but were indifferent as to which team would have their new stadium constructed in the impoverished neighborhood, just as long as one of them did. But because neither team wanted to locate in that neighborhood (for various reasons previously mentioned), Qualls was unable to utilize a stadium as a tool to economically revive Over-the-Rhine. Of course, there were no guarantees that a stadium complex could have contributed to the amelioration of Over-the-Rhine, and recent research suggests that there is little confidence in this assumption.

The Taxpayer Relief Act of 1997, however, gave Cincinnati another chance to obtain urban funds. It authorized a second round of competition; and in 1998, Cincinnati was one of 20 cities selected to receive federal funds to rejuvenate their distraught urban neighborhoods (http://www.ci.minneapolis.mn.us/citywork/ez/history.asp). With EZ designation, the Cincinnati Empowerment Corporation (CEC) was established in January 1999 to manage the program’s funds and to act as the liaison between civic officials and nine neighborhoods designated in the zone. The neighborhoods included Avondale, Clifton-Fairview Heights, Corryville, Evanston, Mount Auburn, Walnut Hills,
In its first two years of existence, the CEC was victim of a profusion of infighting and lack of direction. The 33-member EZ board argued over everything including where its central office should be located, the size of the board, who would control the allocation of funds, and the length of their meetings. The biggest and probably most damaging event that nearly dismantled the corporation occurred over the selection of an executive director. The board was polarized in its decision to hire Stanley Broadnax, a former health commissioner, because he had previously been convicted of a felony on cocaine trafficking charges. When Broadnax was voted out, many board members quit in frustration over the group’s lack of progress (http://enquirer.com/editions/1999/12/24/loc_empowerment_zone.html by Dan Klepal). The CEC had received a total of $6.6 million ($3 million in 1999; $3.6 million in 2000), but had not allocated a single dollar in those years towards urban improvement. HUD officials were also frustrated with the board’s lack of progress and they threatened to withdraw funding from the EZ in Cincinnati (http://www.cincypost.com/news/2000/empow031700.html by Andrew Conte).

Cincinnati, along with 31 other designated Empowerment Zone cities in the U.S., was supposed to receive $10 million a year for 10 years (i.e., $100 million) beginning in 1999. However, Republicans in Congress restricted spending in 20 of the zones to about $3 million a year. Cincinnati was one of the 20 zones to receive a diminutive grant. Because of this, City Manager John Shirey suggested that the reason for the board’s disorganization and lack of progress was financial. Due to the short supply of funds,
board members could not decide how to distribute the money. Unresolved matters in this context concerned the priority of neighborhood funding and the amount of funds to disburse to those neighborhoods (http://enquirer.com/editions/2000/12/16/loc_cincinnati.html by Derrick DePledge). One can simply see this as a contradiction between the politics of recognition and the politics of redistribution. This contradiction is embedded with the EZ policy. You cannot decouple the cultural politics of difference from the social politics of equality—justice requires both redistribution and recognition (Bauman, 2001, p. 77) and the city of Cincinnati and the county of Hamilton “just did not get it.”

In January 2001, after two years of its existence, the board finally hired an executive director, Harold Cleveland, and cut its size to 21 members. This was also the first year that the CEC was fully funded—$10 million per year—as originally designed. However, the EZ plan had not been put into action since CEC’s inception. One reason for this, suggested boardmember Lamont Taylor, is that a lack of transportation to suburban jobs is a problem for zone residents. He contended that half of all zone residents do not own an automobile and that public transit to the suburbs during the early morning and evening shifts is scant. The problem with this rationalization, however, is that the empowerment corporation had sent no job candidates to area businesses in the zone and no business had called the empowerment zone board seeking zone residents for interviews (http://enquirer.com/editions/2001/05/14/loc_promises_for_poor.html by Ken Alltucker).

As part of the 1998 application to allow Cincinnati to become a designated empowerment zone, corporations such as Procter & Gamble, the Kroger Co., Federated, Toyota, and Cincinnati Bell pledged to give residents of EZ neighborhoods access to
hundreds of jobs and millions of dollars in grants and loans to rebuild the depressed
neighborhoods. They beefed up the city's application by pledging more than 2,600 job
opportunities, contracts, grants, loans, donated services and various forms of community
support to residents and businesses in EZ’s. CEC officials projected that 500 zone
residents would be “guaranteed access to employment opportunities” (http://enquirer.
com/editions/2001/05/14/loc_promises_for_poor.html, para. 10 by Alltucker). It is
unclear as to the exact types of jobs the corporations pledged to provide, but after sitting
on the funds for over a year after they were granted by HUD, the CEC, to reiterate, had
not sent any zone residents to area businesses, and no business had contacted the CEC to
recruit any zone residents (http://enquirer.com/editions/2001/05/14/loc_promises_for_
poor.html by Alltucker).

Although the Empowerment Zone program did not flourish, when talks of using a
stadium as a mechanism to stimulate economic development in Over-the-Rhine
dissipated, development of an entertainment district in that neighborhood along Main
Street was already moving full steam ahead. Cincinnati spent the better part of the 1990’s
striving to turn the area into a place where people of higher socioeconomic status would
go to spend their discretionary income. Consumer dollars from a “transient tourism”
segment of the population rather than the improvement of the living conditions of
residents took precedence once again. The “fun” part of the revitalization process in
Cincinnati had all of the indications of a class-contoured imagination: Bring back the
white middle-class; if not to reside (a preference), then to consume (a necessity).
Gentrification

Economically, the ingress of white suburbanites to the entertainment district has been suggested to have enhanced much-needed tax revenues. Businesses that have popped up on Main Street encompassing the Over-the-Rhine district have included dot-com startups, art galleries, and jazz clubs (among others) that are managed by and patronized by the affluent (http://www.thenewrepublic.com/050701/cottle050701.html by Michelle Cottle). Typically, the artisan takeover of dilapidated properties has stimulated consumer growth and improved the property values. The fact that that artisan-generated growth is conducive to the increase in the property values has not been lost on those who own the rental properties.

Although the entertainment district has spawned businesses that chiefly cater to the more affluent patrons, it has also generated a handful of businesses that serve the less affluent, such as the opening of a laundromat located just around the corner from Main Street. The fate of the Krogers’ store and of the rejuvenation of the theater (the former has no intention to expand its services and the black entrepreneur who took advantage of EZ and other loans to renovate the theater has reneged on the deal while pocketing EZ funds) casts doubt on the economic, social, and symbolic entrepreneurial efforts by both blacks and whites. Even “multiculturalist” recipients of various loans under the EZ program have failed to deliver on their promises. Main Street has become “developed” but not rehabilitated in one out of its three zones. The zone closest to the city has had some refurbishment; the zone closest to the University of Cincinnati also has seen some investment; but the middle zone occupied predominantly by blacks (with the worst impoverishment and crime rates) has been, and continues to be, neglected by private
entrepreneurs and the “entrepreneurs in the public interest.” The defrauding of the minority poor is not just a white exploitation problem. Blacks are exploiting blacks even if it is politically incorrect to say so.

Presumably, with the spawning of businesses comes the generation of employment. With the spawning of businesses comes the generation of employment. Due to the employment needs of restaurants and other retail establishments, the need to hire low skill-level employees is the nature of those businesses. Because of this, the entertainment district businesses have a local pool of neighborhood residents from which to hire. Said Tebbe Farrell, who works at Shadeau Breads on Main Street, "Mr. Pitiful's hires a lot of people from the neighborhood to help clean up. In fact, every business owner has at least one kid to help" (http://www.thenewrepublic.com/050701/3cottle050701.html, para. 2 by Cottle).

In addition to working and celebrating in the district, some suburbanites have made the move to the hillsides of Over-the-Rhine. Located in the north end, residents are greeted by a neighborhood of run-down Victorian houses that are being restored into historical showplaces that offer majestic views of downtown Cincinnati. In effect, not only did the influx of white, middle- to upper-class denizens and patrons economically revitalize the neighborhood, but they also socially revitalized it in terms of diversifying their culture (http://www.thenewrepublic.com/050701/cottle050701.html by Cottle). It is hoped that the economic, cultural, and symbolic capital that these “yuppies” bring can be mobilized for the greater benefit of all. Yuppie ideology suggests a far different selfish agenda and that any diversification will be on their terms.

The city’s push for gentrification into downtrodden neighborhoods such as
Over-the-Rhine was an objective they sought to accomplish because of Cincinnati’s racial polarization. In Qualls’ inaugural “State of the City” address, she commented that the economic and social neglect of Cincinnati’s poorest neighborhoods was splitting the city into “livable…and not livable communities” (The Cincinnati Enquirer, Jan 7, 1994, p. D4 by Crowley). In other words, as then-City Councilman Tyrone Yates surmised: “Cincinnati is a tale of two cities. One black, one white” (The Cincinnati Enquirer, Jan 7, 1994, p. D4 by Crowley). According to census analysts, Cincinnati is one of the most segregated cities in the United States. Of Cincinnati’s 48 neighborhoods, 29 are a majority of either white or black with more than a 3-to-1 ratio. On the dissimilarity index, a measure of racial disparity, this equates to a 74.2% rating. A fully integrated neighborhood would show a ratio of nearly 1-to-1 on the dissimilarity index, a 50% rating. As former Cincinnati Mayor Dwight Tillery observed, “You don't see much mixing in [Cincinnati’s] individual neighborhoods” (http://www.cincypost.com/2002/apr/16/racial 041602.html, para. 12 by Barry M Horstman).

Although integration of whites into the traditionally black neighborhood of Over-the-Rhine was being achieved, this racial mixing led to an outcry by black residents. The economic revitalization was an unwelcome metamorphosis. One reason for their antipathy concerned an instance in which a low-income housing group, ReStoc, was going to create additional low-income housing for the neighborhood. However, the city blocked the group’s ability to proceed by not handing over $700,000 worth of federal funds earmarked for low-income housing. It was alleged that Cincinnati City Council said there was already too much low-income housing in Over-the-Rhine and it would inhibit revitalization efforts. Simply put, the recipients of low-income housing would be
unable to provide the tax revenue streams the city needed for its pro-growth strategies. Nevertheless, city council seemingly agreed to release the funds several months later with the condition that ReStoc sell some of its other properties to a for-profit developer (http://www.thenewrepublic.com/050701/2cottle050701.html by Cottle). Occurrences such as this contributed to the growing opposition of higher-class whites integrating into Cincinnati’s predominantly African-American communities.

In other communities that have experienced gentrification and shifting demographics, such as in New York and Washington, D.C., police forces became increasingly aggressive. Police brutality and racial profiling dominated the news (http://www.thenewrepublic.com/050701/3cottle050701.html by Cottle). In Cincinnati, investment in increased police presence in areas such as Over-the-Rhine, especially during the peak hours at night and on the weekends when white suburbanites patronized the entertainment district, contributed to heightened racial tensions, deteriorating race relations in Cincinnati. Many long-time black residents complained that the police were more concerned with protecting the white club-hoppers and white residents than the black residents. They argued that protection of the white residents and visitors has led to the increased level of police harassment and brutality of its black youth. Cecil Thomas, community activist and head of the Human Relations Commission (a city-funded independent non-profit organization devoted to improving community relations), said that because there are parts of the neighborhood seeing (white) economic prosperity, the police are essentially saying to them, “I’ll protect you from them. I’ll make sure they won’t get your property” (http://www.thenewrepublic.com/050701/cottle050701.html, para. 6 by Cottle). The police’s extra protective actions have bred resentment among the
black residents who feel they’ve received harsher treatment than the well-off visitors. As one community activist told *The Cincinnati Enquirer*, “All this has done is increase the hostility that’s already here” (http://www.thenewrepublic.com/050701/cottle050701.html, para. 8 by Cottle). Thomas, a former Cincinnati policeman, saw firsthand the overaggressive policing emerge during the 1990’s, including macings and handcuffings at routine traffic stops. Thomas stated that police were also issuing fines averaging $100 for minor infractions for such things as not wearing their seat belt or driving with expired tags, compared to in the past when police more often only issued warnings. According to *The New Republic Online*, the police say they work just as hard to “serve and protect” the city’s poor residents as they do the affluent ones (http://www.thenewrepublic.com/050701/2cottle050701.html, para. 2 by Cottle). Notwithstanding, these increasing low-key harassments and the apparent disregard for human (black) life—catalyzed by creeping prosperity—contributed to what was labeled the “April Riots” by city officials and their organic intellectuals within the media corps.

**Riots or Rebellions—Sites of Resistance**

On April 7, 2001, an unarmed African-American named Timothy Thomas was shot and killed by a Cincinnati police officer. His killing had set off nearly a week of unrest because he had been the 15th African-American to die in confrontations with Cincinnati police since 1995, and because of other alleged racist behavior (e.g., profiling and military style policing) and economic exclusions directed at African-Americans over a span of the past two decades. Three days after this incident, on April 10, civil as well as violent protests erupted. The African-American community was incensed over the most recent killing of another black man, and the refusal of city leaders to meet with the
community about this most recent incident. During the riots/rebellions, African-American protesters committed a slew of random acts of violence in downtown Cincinnati that mirrored the riots of Los Angeles in 1992. Property was destroyed (i.e., windows broken, fires started, hot dog stands overturned), a handful of white people were pulled from their vehicles and beaten, neighborhood businesses were looted, and gun shots were fired. Much of this activity occurred in the Over-the-Rhine district. Charlie Luken, the mayor of Cincinnati, declared the city in a state of emergency and imposed a mandatory curfew. Calm, regrettably not justice, was finally restored after four days of unrest (http://enquirer.com/editions/2001/05/19/loc_racial_tension_in.html by Kristina Goetz).

As I mentioned, the unrest that unfolded in April 2001 was the result of years of perceived racial inequities encountered by and against African-Americans. The inequities appeared to be entrenched in racist behaviors and attitudes by Cincinnati business and civic officials. One of the incidents that inferred a racial impropriety surfaced months before the riots. It occurred when the Chief of Police, Tom Streicher, used a racial slur in a police training class. He was said to have made the remark to illustrate and prepare officers for what they might hear on the street. Protests ensued by the African-American community, demanding the chief to be fired. Following this upheaval, other accusations of racism arose. During Ujima and the Cincinnati Coors Light Jazz Festival—considered to be weekend events traditionally attended by African-Americans—many downtown restaurants closed their doors. The white restaurant owners argued that they had been open in the past during these events, but the business was never there. African-Americans had not shopped their establishments. This, along with the deaths of two black men in two consecutive days at the hands of white police officers, led to more protests and
encouragement by black leaders to boycott downtown businesses and events (http://enquirer.com/editions/2001/05/19/loc_racial_tension_in.html by Goetz).

Although racism has been meshed into the fabric of the region since the 1800’s before the Civil War, the racial climate leading up to the riots/rebellions had been building over the past two decades. Not only were there seemingly outward appearances of racism, but there were also allegations of racism not evident to the average citizen. These underlying premises that had been rooted in the African-American community leading up to the riots/rebellions were evident in the list of demands by coalitions of African-American groups.

**Economic Boycott—The Peaceful Way**

Two groups in particular, the Coalition for a Just Cincinnati (CJC) and Cincinnati Black United Front (CBUF), drafted a list of demands and led an economic boycott of Cincinnati. They formally called for economic sanctions against the city of Cincinnati for the city and county’s alleged failure “to promote and execute economic inclusion and parity [for blacks and minorities]… [d]espite billions of dollars currently being spent on development projects such as football and baseball stadiums [sic],…housing for the middle and upper classes,…and proposed additional funding for existing downtown businesses. Black people have received promises but little or no participation in these or other economic opportunities” (http://www.cbuf.org/position.html, para. 1).

CJC and CBUF gave the city of Cincinnati, Hamilton County, and business leaders of the area a list of terms demanding an end to the African-American community’s social and economic apartheid and a reformation of the Cincinnati Police Department’s practices of harassment, racial profiling, and use of excessive force. Aside
from the belief that they were discriminately included as victims of police brutality, African-Americans felt they were socially and economically excluded from issues embodying neighborhood development. The African-American community has been experiencing a sense of financial and decision-making neglect in the areas of business, housing, and public school development in their neighborhoods over the past two decades.

The African-American groups demanded that the city of Cincinnati and business leaders honor promises they made in their 1998 application to the U.S. Department of Housing and Urban Development (HUD) to obtain Empowerment Zone status. The city agreed to spend $100 million from federal grants they were to receive from HUD and an additional $208.2 million from city funds over a 10-year period. Overall, city officials and local business leaders pledged to spend close to $2.3 billion in grants, loans, and donated services. However, the promises from corporate and government officials have gone unrealized. This is a major reason why the Coalition for a Just Cincinnati (CJC) and Cincinnati Black United Front (CBUF), along with other African-American coalitions, have banded together to economically boycott Cincinnati businesses and events. They made the full dollar amounts the city and business leaders pledged to support the EZ program one of their demands (http://www.cincyboycott.org/apartheid_demands.html).

The Politics of Redistribution

Following the riots, a coalition of African-American ministers, developers, and property owners accused the city of diverting millions of dollars in state and federal funds earmarked for redeveloping depressed, black neighborhoods. They appealed to HUD to investigate where the EZ money went and to inquire about a civil rights investigation into
the city's housing and community development program for excluding African-American neighborhoods and developers from economic inclusion. They wanted the federal government to withdraw all federal funding from Cincinnati "until this wave of economic apartheid has ceased to exist," said Rev. James W. Jones, chairman of the Coalition for Justice and Equality [CJE] (http://www.cincypost.com/2001/may/24/spend052401.html, para. 3 by Paul Gottbrath & Barry M. Horstman).

Shirey contested the coalition's charges by stating that, "It already gets examined very closely every year. We've never had these kinds of allegations made before, and there's never been even a suggestion from HUD that the money wasn't being spent properly. So, if we did anything wrong, we did it with the collusion of the federal government" (http://www.cincypost.com/2001/may/24/spend052401.html, para. 5 by Gottbrath & Horstman). Mystified by the continuing existence of slums in the Cincinnati area despite receiving millions of dollars over the past 50 years to eradicate them, Stanley Broadnax (a leading supporter of CJE) asked, "[I]f the city has gotten this money to eliminate slums, and the slums are still here, where did the money go?" (http://www.cincypost.com/2001/may/24/spend052401.html, para. 7 by Gottbrath & Horstman).

To illustrate how the city allegedly abused its grant funds, Broadnax cited a case that occurred in 1988 in which the city approved using $500,000 in state money to secure a project in Sycamore Hill. In 2002, that project had still not begun. This impeded various black developers’ ability to proceed with the construction of 700 units of new housing that they have planned. On the other hand, a project for a white developer at Garfield Place in downtown that started in 1987 has received nearly $31.5 million in state and
federal grants with successful completion of four phases of construction (http://www.
cincypost.com/2001/may/24/spend052401.html by Gottbrath & Horstman).

Another example of racial politics of redistribution occurred in the mid-1990’s when the Cincinnati Recreation Commission (CRC) sponsored a professional sand volleyball tournament for inner-city residents at a local park. Willie Stephens, then head of the drug and crime prevention committee for the Winton Hills Community Council, alleged racism by the CRC because of a lack of financial support for the preferences of the black community:

I wonder sometimes when the commission puts money into these special projects, why it couldn’t have been used to support [black] neighborhood programs such as track. What good does it do us to have volleyball tournaments downtown that don’t involve our neighborhood or our children?…Volleyball is basically a white sport. (The Cincinnati Enquirer, Jan.6, 1994, p. B1 by Allen Howard)

In February 2003, HUD released findings of an audit performed on Cincinnati’s EZ corporation. It revealed that the agency misspent thousands of federal dollars and failed to produce results in key programs. For example, Nu-Blend Paints Inc., a company that recycles paint, was unable to hire or fully train even one zone resident, despite spending nearly $240,000 in EZ funds. The Cincinnati Empowerment Corp., however, refuted this claim by providing check stubs and documents to establish that one employee had completed job training. Because HUD found that Cincinnati’s EZ program contained “no convincing evidence” that it was providing successful results, President Bush omitted funding for Cincinnati (along with 14 other EZ’s in the U.S. with similar findings) in his proposed 2004 budget.
Growth Coalitions & The Stadia Tax

When Cincinnati Black United Front (CBUF) inventoried their reasons for economic sanctions against the city, they referred to Cincinnati’s new stadia complex as one of the development projects that “[b]lack people have received promises but little or no participation in” (http://www.cbuf.org/position.html, para. 1). However, because CBUF did not further expound upon this assertion, I have attempted to examine why they suggested that new stadia were sources that affected their sense of economic exclusion, ultimately leading to the April 2001 riots/rebellions.

African-American groups leading the charge of economic sanctions against the city of Cincinnati have essentially found themselves trapped between the horns of Scylla and Charybdis. One the one hand, they appeared to condone and excuse the actions of those who participated in the April disruptions. Their responses following the actions taken by the rioters indicated their belief that the rioters were just in destroying a neighborhood and committing random acts of racial violence, pointing to new stadia and their construction as a source of justification. CBUF and CJC, two groups whose formation and philosophy is presumed to be based on nonviolent and civil actions, reacted in a sympathetic manner towards the rioters by not condemning the physically destructive actions of the rioters and, instead, are supporting them by demanding that Cincinnati and Hamilton County public officials “[g]rant total amnesty to all persons detained[,] arrested and jailed because of the rebellion and the resulting city curfew” (http://www.cbuf.org/position.html, para. 10). On the other hand, other African-Americans, while enraged, sought more peaceful ways to demonstrate opposition to the prolonged interracial conflicts within the city and preferred economic boycotts of the city
to violence. The boycotts involve both the politics of recognition and of redistribution. They were (and are) of greater proportions than the issues associated with stadium construction even though the demands of recognition and redistribution have factored into the stadium/stadia solution to the urban redevelopment “crisis.” African-Americans who have engaged in, or supported, the riotous acts and an economic boycott of the city, have referred to the following (and previously mentioned) reasons:

1. The exclusionary interests of the governing coalitions
2. The low-income, part-time, seasonal jobs created from new stadia
3. The lack of minority participation in football stadium construction
4. The exclusion of blacks in property tax relief from the sales tax
5. The lack of attention and funding for inner-city public schools
6. The regressive character of the sales tax on blacks

**Interests of the Governing Coalitions**

Throughout the early 1990’s, governing coalitions including the city, county, state, and corporate elites have appeared to exclude African-Americans from, and favor middle- to upper-class white residents in, the revitalization process. The goal of these coalitions has been to re-establish control of downtown for the collective consumption privilege of the higher classes. Public investments in the Entertainment District on Main Street in Over-the-Rhine and the construction of new stadia have been engineered to serve the higher-classes in the quest for gentrification and to enhance (or at least prevent a further decrease of) property values located within the downtown region.

Urban scholars such as Feagin, 1988; Horan, 1991; Leitner, 1990; and Logan & Molotch, 1987 determined that an examination of a city’s growth model must embody an analysis of the coalitions that are responsible for planning and implementing a growth strategy (Schimmel, 1987, p. 22). When we examine Cincinnati’s downtown
redevelopment strategy more closely, it will reveal that the interests represented by the
governing coalitions shaped this strategy to solve THEIR problems and improve THEIR
quality of life, evidencing class and race biases. The composition and objectives of the
growth coalitions follow.

Downtown Cincinnati Inc. (DCI) was a coalition made up of mostly white,
middle- and upper-class corporate executives. It was formed to find a solution to the
unceasing disinvestment problem in downtown Cincinnati. It worked in conjunction with
Procter & Gamble on the development of a downtown fund to subsidize “daring
ventures,” including new sports stadia for moneyed team owners, to inject new life into
the city. DCI pledged $25 million to the Cincinnati Development Fund—money that
represented a new step by the region’s corporate leaders, worried that a decline in
downtown progress would reduce the value of their buildings, properties and companies.
(Chairman of DCI) proclaimed that, “The business community deeply believes keeping
the Reds and Bengals in downtown Cincinnati is the highest priority for our town” (The

The Cincinnati Vision Task Force (CVTF) was a group composed of 15
corporate, governmental, and political leaders (mostly executives and lawyers) to make
downtown a magnet for shoppers, residents, tourists, conventioneers and new companies.
It did not reflect a racially and sexually diverse population as it was composed of 13
white males, one white woman, and a black man (The Cincinnati Enquirer, Jan. 16, 1994,
The Cincinnati Business Committee (CBC) was a group composed of 27 corporate executives from Greater Cincinnati’s largest companies. Their support of the stadia sales tax was summarized from the remark by Ralph Michael, PNC president and CEO, “I am convinced there is no issue of greater importance to this city and its ability to recruit companies and jobs than keeping its professional sports teams” (The Cincinnati Enquirer, Dec. 22, 1995, p. A1 by Leah Beth Ward).

Another bureaucratic resource that enabled implementation of the strategy to increase downtown property values and economic activities of the higher-classes and continue to subjugate the lower-classes, namely African-Americans, was the state of Ohio. Without the financial backing of the state, the city and county’s revitalization objectives may have gone unfulfilled. With then-Governor George Voinovich as a staunch supporter of the revitalization effort and honorary co-chairman of Citizens for a Major League Future (CMLF), a pledge of 15% to fund construction of new stadia was the difference (The Cincinnati Enquirer, Jan. 1, 1996, p. B1 by Hobson). He encouraged passage of the stadia sales tax as a way of keeping Cincinnati a “major-league city” and as a way of creating 7,000 jobs and impacting the local economy with $1.1 billion. “That’s not chicken feed. This is the best thing for this community’s future,” remarked Voinovich (The Cincinnati Enquirer, Feb. 2, 1996, p. C1 by Green). The best thing for who’s future?

As we have seen, it was evident that these coalitions were concerned more with the financial aspects of the redevelopment process as opposed to the human factor (i.e., African-Americans and low-income communities). Economic capital, and the symbolic capital that feeds it, were (and are) far more important than the social capital that
represents the resilience of a community and the means for sustaining it. The city’s redevelopment strategy avoided socially and economically uplifting the lower-classes and, instead, the coalitions of the dominant masked their interests by building an Underground Railroad Freedom Center to give the impression that they were taking care of that sector of the community.

According to Richard Bradley, president of the International Downtown Association in Washington, D.C., “Success [of a redevelopment strategy] comes only after cities make sure that (a plan is) anchored on economic reality and it agrees with an entire community and the values in that community” (The Cincinnati Enquirer, Jan. 16, 1994, p. A15 by Green). Such an ingenuous statement, anchored in some vision of a classless, raceless society is obviously out of touch with the social realism of the urban dilemma. It is obvious that Cincinnati’s growth strategy was not perceived by the African-American community to be racially inclusive. The racial and socio-economic makeup of the governing coalitions reflected that growth plan. As Schimmel (1987) observed, “As long as the political solution to urban crisis is merely to add to the collective consumption privileges of the white middle-class, then the needs of the poor and/or ethnically marginalized will continue to go unaddressed” (p. 176).

**Job Creation is Low-Paying**

Urban scholars including Feagin, 1988; Horan, 1991; Leitner, 1990; and Logan & Molotch, 1987 also contend that an analysis of a city’s growth model must examine the issue of employment opportunities when planning and implementing their growth strategy (Schimmel, 1994, p. 22). Government officials insisted that new stadia would
create additional jobs to the area and retain thousands more. A problem with this creation philosophy was that the increase would enhance only low-paying, seasonal, service-sector jobs.

According to a University of Cincinnati study, economists predicted the creation of an estimated 1,100 jobs from new stadia construction while retaining approximately 5,700 jobs (The Cincinnati Enquirer, March 9, 1996, pp. A1, A4 by Green). Schimmel (1994) observed that job quantity (as opposed to job quality) is often articulated as a key rhetorical element of a city’s growth agenda (p. 21). She maintained that this type of job creation produces little social and economic relief for lower-class and ethnic minority residents (p. 162). Such residents who are unable to maintain their standard of living cannot be expected to increase their discretionary spending (p. 157).

Three African-American groups voiced joint opposition to the stadium/stadia sales-tax issue: The Cincinnati Chapter of the National African-American Leadership Summit (NAALS), the Cincinnati Baptist and Other Ministers Alliance, and the Black Political Caucus. They said the plan ignores the needs of Cincinnati’s low-income communities and the black community needs more than “a handful of seasonal, minimum-wage jobs hawking beer and hot dogs” (The Cincinnati Enquirer, March 3, 1996, p. B1 by Christine Wolff).

On the other hand, the African-American Baptist Ministers Conference endorsed the tax plan, according to the Bengals’ Jeff Berding, on the belief that stadia construction would represent $1.1 billion and nearly 19,000 new jobs to the local economy (The Cincinnati Enquirer, Feb. 6, 1996, p. B1 by John Hopkins). County commissioners secured the votes of other African-American groups such as the Cincinnati chapter of the
NAACP (National Association for the Advancement of Colored People) and the Greater Cincinnati Business Owners Association—a group that represents over 60 companies owned by African-Americans—based on promises of being racial beneficiaries of job creation in stadia construction (The Cincinnati Enquirer, March 18, 1996, p. A4 by Michaud and Green). In hindsight, it is obvious that the false promises of the dominant and hegemonic fooled some of their constituents, but couldn’t fool them all.

Lack of Minority Inclusion in Construction Projects

Another incentive to bolster votes in favor of passage of the stadium sales tax in 1996 was the county’s pledge to award 15% of all stadia contracts to minority- and women-owned firms (The Cincinnati Enquirer, March 17, 1996, p. A4 by Green and Michaud). However, as construction bids for the football stadium project were being awarded, it became apparent that the county was not meeting this goal. Because of this, an African-American group that voted to support the stadia sales tax felt that it was misled. To compel the county to live up to their promise, Reverend William Land (co-chairman of the Baptist Ministers Conference’s Social Action Committee) appealed to African-Americans to engage in “harassment on a daily basis” of all citywide construction projects until the county’s 15% goal of minority participation was realized (The Cincinnati Enquirer, May 30, 1998, p. B1 by May).

In a 1995 agreement with the city of Cincinnati, the county agreed to aim toward awarding a total of 15% of stadia construction contracts to not only minority-owned firms, but also women-owned firms (The Cincinnati Enquirer, Sept. 19, 1999, p. C7 by May). And although African-Americans such as Rev. Land apparently assumed otherwise, up until January 1999, only 7% of the contracts awarded had gone to
companies owned by women and minorities. A St. Louis consultant hired by the city to analyze the county’s undertaking (with respect to minority-owned participation in the football stadium project) revealed that the county was sincere in its efforts, but was a case of too little, too late in the stadium planning process to be considerably effective. According to *The Cincinnati Enquirer*, Bedinghaus justified this finding in part to the lack of a significant number of businesses in the Cincinnati area that are owned by minorities compared to other cities in the U.S. (Jan. 23, 1999, pp. B1, B9 by May).

When the football stadium construction project had concluded its bidding awards, the county had awarded only 11% of the contracts to gender- and race-based firms. Of the $272 million in contracts awarded, about $31 million worth have gone to minority- and women-owned firms. A total of about $284 million in contracts will be awarded for the project. County Commissioner Bob Bedinghaus said the fact that the county has reached 11% participation by minority- and women-owned firms without using set-asides—guaranteeing a certain share of work based on race, gender, or other discriminatory means (due to court decisions challenging the notion)—was quite an accomplishment (*The Cincinnati Enquirer*, Oct. 28, 1999, pp. B1, B9 by May).

**CPS not to Receive Adequate Funding**

In 1996, Cincinnati’s public schools were in a state of disrepair when the issue of new stadia construction was being decided. The inner-city schools needed over $348 million in repairs, but taxpayers had turned down a levy the year before to financially assist the school system (*The Cincinnati Enquirer*, Feb. 8, 1996, p. B2 by Mark Skertic). Instead, taxpayers approved spending almost twice the amount for new stadia for the Bengals and Reds—already wealthy, private enterprises.
The City and county each ultimately agreed to funnel $10 million a year to Cincinnati Public Schools (CPS) for 20 years from revenue generated by the stadia and paid in lieu of real estate taxes (The Cincinnati Enquirer, March 17, 1996, pp. A1, A4 by Green and Michaud). However, school officials contended that they needed to secure more funding for maintenance and repairs; and because Cincinnati’s public school system is comprised of a high percentage of African-Americans, the Coalition for a Just Cincinnati (CJC) and Cincinnati Black United Front (CBUF) included in their list of demands (as part of their economic boycott) to “place a high priority on sustained improvement in all public schools in the city of Cincinnati, and must bring all school buildings up to code, and apply the same standards to inner city as suburban schools” (http://www.cincyboycott.org/apartheid_demands.html, para. 14).

**Exclusion from Property Tax Relief**

To encourage passage of the stadium sales tax, the county incentivized voter approval by offering homeowners a rebate on their property taxes. Because it was only offered to homeowners, it excluded approximately 40% of the county residents who were renters. Being another form of “robbing from the poor and giving to the rich,” Tim Mara (a representative of Citizens for Choice in Taxation [CCT], an anti-tax group) labeled the property tax rebate for homeowners a “reverse Robin Hood scheme” (The Cincinnati Enquirer, Feb. 25, 1996, p. B5 by Michaud). And due to the socioeconomic status of a high percentage of African-Americans being in the lower- to middle-class, they comprise a significant number who are renters. Thus, not only are African-Americans anteing up towards the 30% portion of the sales tax designated for property tax rebates, but they are also excluded from the property tax break itself. “We're shifting the burden in this county
away from people who happen to own homes,” declared County Commission President Bob Bedinghaus (The Cincinnati Enquirer, Jan. 7, 1997, p. B1 by Michaud). In other words, a high percentage of whites are benefiting from this policy compared to a low percentage of blacks.

Regressive Nature of Sales Tax

According to CCT, the sales tax will financially hurt low-income groups more than any other income group. Even State Democratic Senator William Bowen, representative of the pro-tax group, Citizens for a Major League Future (CMLF), acknowledged that the sales tax is the most regressive taxing mechanism of them all (The Cincinnati Enquirer, Jan. 17, 1996, p. B1 by Michaud). Mara’s analogy that the sales tax imparts a “reverse Robin Hood scheme” referred to it while citing a University of Cincinnati study, which concluded that the poorest 20% pay three times as much of their income (3.5%) in sales taxes compared with the richest 20% who pay 1.2% of their income. Mara asserted that this type of assessment taxes everybody equally without regard to their ability to pay (The Cincinnati Enquirer, Jan. 17, 1996, p. B6 by Michaud).

Many African-Americans were against the stadia sales tax increase because, according to African-American democratic City Councilman Todd Yates, they would be hit the hardest by the tax hike, and because they were “neglected and not considered” in important stadia decisions. He clamored that they were “asked to pay but not asked to participate in the planning” (The Cincinnati Enquirer, Feb. 6, 1996, p. B1 by Hopkins).

Despite dissension concerning any aspect related to stadia and the stadia tax, the Bengals eventually signed a deal with the county to have their football stadium constructed on the riverfront, far west on Riverfront West property. The location of the
Reds’ new stadium was decided by Hamilton County voters in November 1998. The issue on the ballot was whether the baseball stadium should be built at Broadway Commons or on the riverfront. Residents overwhelmingly voted for construction to occur on the river between Cinergy Field (formerly Riverfront Stadium) and the Firstar Center (formerly the Riverfront Coliseum). With both stadia built along the Ohio River shoreline, the city’s vision of locating development in-between two stadia is gradually being realized. The Bengals’ new Paul Brown Stadium opened in August 2000 while the Reds’ new stadium, the Great American Ballpark, was completed in 2003.
CHAPTER 3
FRANCHISE RELOCATION & STADIUM POLITICS

When Mike Brown made his first threats in November 1993 to relocate his team, it was not something that just came “out of the blue;” it was an issue that had been deeply rooted. Since 1978, the Brown family had been trying to get out of their 1970 lease with the city of Cincinnati when they experienced a problem concerning an in-stadium restaurant that was never constructed. The Bengals were originally under contract at Riverfront Stadium until 2010, but the multitude of problematic occurrences they’d endured since the latter half of the 1970’s weighed heavily on the Brown family. Aside from the in-stadium restaurant and club debacle mentioned earlier, stadium repairs, scoreboard conflicts, and a host of other minor issues with the city and Reds over an almost 25-year period of relations ultimately contributed to the Bengals’ relocation threats. At the time, none of these discordant issues ever reached the point whereby a serious threat of relocation was posed. On the contrary, it was reported that the term “relocation” had been used in the past by former Bengals’ owner and founder, Paul Brown, but he was said to have denied there was any truth that he was planning on such a drastic measure. [This controversy on whether he used the term occurred when he petitioned the city in 1978 to construct a sit-down restaurant at Riverfront Stadium.]

We may ask ourselves, what was the difference—in real terms—between “trying to get out of a lease” and “relocation”? Although it is unclear whether Paul Brown used the term “relocation,” there was no uncertainty on whether his son, Mike Brown, exercised it. It had only been approximately eight months following Mike Brown’s takeover of
majority ownership of the team in March 1993 that the threat of relocation was a leverage stick used as a negotiating tool.

When Brown openly threatened to relocate his team in order to exact a new, publicly financed football stadium from the city of Cincinnati, he had been working with City Manager Gerald Newfarmer on plans for a new stadium for many years. But when Newfarmer was fired, Brown was forced to deal with an interim city manager, Frank Dawson. Dawson was then replaced within one month by yet another city manager, John Shirey. Brown became fed up with continually starting from square one on the stadium discussion matter. He was getting different ideas from each new city manager that took over the position. It was this vicious cycle that added fuel to the relocation fire.

Brown had sought a more lucrative-friendly stadium to allow him to afford the higher salaries players had been bargaining for in the new era of free agency. He had complained about Riverfront Stadium and its inability to earn him even the average amount of revenues other teams in the NFL were earning. The value of Brown’s franchise ($128 million) and the Bengals’ total revenue ($49.5 million) in 1992 were below league averages ($1 million and $3.8 million, respectively) in every category. Brown realized that if nothing were done immediately to expand his profits, his financial situation and the team’s win-loss record would worsen. But it wasn’t only Cincinnati’s professional football franchise that was near or at the bottom of their respective league in revenues. Before Brown announced his intention to relocate, the Reds’ General Manager Jim Bowden (on behalf of owner, Marge Schott) made a similar announcement just three months prior. Schott’s intention was the same as Brown’s—to land a new stadium paid
for by local taxpayers; only she had a baseball park in mind (The Cincinnati Enquirer, June 30, 1995, pp. A1, A7 by Green, Goldberg, & Michaud).

In view of both teams simultaneously threatening relocation, the significance of such timeliness may have been paramount in both franchises procuring new stadia. The importance of both teams’ relocation threats was threefold. First, because both franchises coevally expressed the same negative sentiments about Riverfront Stadium (Cinergy Field), they fed off of each other by lamenting that one was receiving something (e.g., new stadium, new lease, etc.) that the other was not. It reached the point where the city and county could not treat either team more favorably than the other; otherwise, they would have toyed with the idea of losing one of their “body parts” [Phil Heimlich, then-city councilman and a proponent of the stadia-tax issue, paralleled the loss or relocation of either team with losing a body part.] (The Cincinnati Enquirer, Apr. 18, 1995, p. A1 by Green).

Second, and as noted previously, the timing of the threats ultimately decided the fate of two new stadia for the region’s professional football and baseball franchises because the downtown physical structures were yielding to vacancies due to the rising economic disinvestment consuming the area, and because the city was facing an identity crisis. At the time of the threats, many businesses and residents had already departed the area for other cities and suburban locations, and there was more exodus to follow if there was nothing done about it. As a result, the Cincinnati powers that be felt that stabilizing their downtown economy was an important issue and that the loss of their professional sports teams would have hurt their image and the downtown infrastructure. To lose two of its most-famed, image-identifiers, combined with the probable negative economic
impact of their loss, would most likely have spelled economic disaster to the downtown core. A sports franchise, especially a winning one, has been argued to bring a city or region many positive consequences such as boosting its image as a “major league” city and impacting the local economy by producing additional jobs in many industries.

A third factor that may have also played a key role in the timing of Brown’s announcement to relocate involved the granting of unrestricted free agency to NFL players in 1993; the same year he made the threats. As mentioned previously, free agency allows teams to contend for players’ services by offering higher, or the highest, bids. This causes player salaries to rise. In turn, team owners wanting the best players must pay the highest wages to land the top talent. With 53 players on a team and each team’s player payroll capped at roughly $70 million in 2002, that amounts to selling a lot of bratwursts, hats, peanuts, tickets, and beer.

Brown’s 1993 call for a new open-air, football-only stadium with 70,000 seats and 100 luxury boxes was heavily petitioned to be located on land—previously surface parking lots—just west of Riverfront Stadium. If his “request” was not met, he said that he was going to shop his team to other cities in search of a similar deal (The Cincinnati Enquirer, Nov. 11, 1993, p. A1 by Brennan). His strategy in acquiring a new publicly subsidized stadium from the city of Cincinnati even included disclosing to the media that he personally went to New York to see NFL Commissioner Paul Tagliabue to explain his discontent with the economic production of Riverfront Stadium and to review league procedures on relocation matters (The Cincinnati Enquirer, Nov. 15, 1993, p. A1 by Brennan).
To demonstrate his desire to stay in Cincinnati, Brown said the city could keep (or avoid losing) the team without matching other cities’ offers dollar-for-dollar and that anything the city would do for him (in terms of building him a new stadium) would be acceptable. He remarked that he could not afford to stay in Riverfront Stadium and continue to be one of the lowest revenue-producing teams in the league if he was going to put a competitive team on the field (The Cincinnati Enquirer, Nov. 11, 1993, p. A1 by Brennan). Brown was so dissatisfied with his situation as a tenant at Riverfront Stadium because the stadium only had 20 luxury boxes, of which the Bengals were not the recipients of any of its proceeds. Brown also did not receive any revenue from parking or in-stadium advertising. Further, what revenues the team did take in during its football games were paid directly to the city in the form of rent. In 1993, the Bengals were one of only a handful of NFL teams that was still paying rent. Under their original stadium lease, the Bengals paid almost $2.5 million per year in rental payments plus maintenance and game-day personnel costs (The Cincinnati Enquirer, Nov. 12, 1993, pp. A1, A9 by Jack Brennan & Jeff Harrington).

To make his point that “anything” would be acceptable, Brown offered to stay in the Queen City for several years without a firm stadium agreement, but only upon the condition that he would receive short-term financial help through adjustments to his original stadium lease. Seemingly, Brown was intimating that this short-term financial aid would allow him to procure better talent and a competitive edge. What was missing, as usual, from this logic was the fact that the NFL with its revenue-sharing policies and salary caps was already seeking balance between the franchises. It may be presumed that it was not just competitive parity that Mike Brown was seeking to achieve, but the
opportunity to increase the value of his franchise per se, and hence, the size of his personal pocketbook. Was Mike Brown trying to produce a contender on the field (hindsight says no) or a contender in the ranks of the corporate rich (hindsight says yes)?

To appease Brown and quash his consequential threats, the city bowed to his “offer.” In December 1993, Brown and the Bengals agreed to a new lease with the city. The Bengals agreed to stay in Cincinnati as long as Riverfront Stadium was temporarily renovated and the city explored plans for a new stadium. This “bridging agreement” as it was called, would enable Brown to increase his revenue needs while the city would temporarily prevent him from continuing to threaten relocation and keep the Bengals in town. The short-term financial help Brown wanted would come primarily from the construction of additional luxury boxes in Riverfront Stadium.

The temporary renovations Riverfront Stadium was to encounter consisted of construction of an additional 60 to 90 private boxes and a stadium club for up to 1,000 members. Other aspects of the new lease guaranteed the Bengals annual revenues of $2.75 million beginning in 1994, $3.5 million in 1995, and at least $4 million (depending on inflation according to the Consumer Price Index) in 1996 until the new stadium was completed. The guaranteed annual revenues the Bengals were to receive was termed the “Increased Stadium Revenue Sum.” These were the revenues that were to come from the rental of the proposed additional private luxury boxes, membership fees from the newly constructed stadium club, and a $4 increase in ticket prices beginning in 1994. Through all of this, Brown was still adamant on getting a new stadium, cautioning the city against investing anymore than $15 to $20 million into Riverfront Stadium. He insisted that no matter what changes were going to be made, a renovated stadium was not going to be

Although the financial aspects of the new agreement with the Bengals were guaranteed, an uncompromising obstacle overshadowed the remaining aspects of the deal. In order for the agreement to materialize and make the physical improvements to the stadium, a clause in the agreement stipulated that approval had to come from the county commissioners, the Reds, and Fifth Third Bank—the stadium bond holder (The Cincinnati Enquirer, Dec. 9, 1993, p. A4 by Terry Flynn & Jack Brennan). The city needed their approval to renovate Riverfront Stadium so that the revenue coming in from the future additions would enable the city to pay the Bengals the guaranteed annual revenues they agreed to requite them as contracted in the December 1993 lease.

However, Reds’ owner Marge Schott never approved the deal, citing a variety of reasons. Among her reasons for not approving the deal, Schott complained that construction of the additional luxury boxes during the baseball season would have cost her an estimated $3 million in lost revenue due to the construction’s interference with fans’ sightlines (The Cincinnati Enquirer, Mar. 16, 1994, pp. A1, A4 by Crowley). She also cited the problem of not being offered the same multimillion dollar deal as Mike Brown and the Bengals (about $4 million in guaranteed revenues per year until 2000); a deal that amounted to at least $10.25 million over the course of five to six years. Without the same deal, Schott would not approve stadium renovations. Subsequently, she threatened to relocate out of the downtown area (possibly into Kentucky) if she did not get at least the same guaranteed deal as the Bengals.
Schott’s demands prevented further talks for a baseball-only park. This led to her March 1994 open talks of possibly relocating the team from downtown to neighboring Northern Kentucky. The city would not let her out of her lease, which was valid until 2010 at Riverfront Stadium. There was the feeling that the city needed to also give Schott a financial package while her team played at Riverfront Stadium; otherwise, the city was not going to be able to proceed with construction plans for the Bengals as long as the Reds held a grudge. But there were some ill feelings among certain council members toward the proposal to give Schott the guaranteed revenues she desired. Councilman Todd Portune was against the issue because he said the Reds were costing the city $76,000 in revenue generated at Riverfront Stadium due to the Major League Baseball strike in 1994 (The Cincinnati Enquirer, Sept. 3, 1994, pp. A1, A4 by Green).

During the 1994 baseball strike, Schott said she would not discuss her stadium needs until after the strike was over. She was under stress and felt she needed to concentrate more on resolving the strike. The city and Regional Stadium Task Force (RSTF)—an organization created to seek a funding solution for new stadia—were understanding of Schott’s position and were willing to stall progress on the issue of stadium talks with both teams. Mike Brown was not happy with the city’s decision to hamper stadium discussions. His impatience began to show when, in March 1995, he declared his team a “free agent” with the ability to cancel its stadium lease with the city at the end of the upcoming 1995-1996 football season. He said that the city breached its December 1993 lease by failing to pay about $167,000 in concession receipts by February 28. He said the agreement specified that payments were to be made in full and on time. It was paid a few days late. The breach converted the lease to a year-to-year
basis, which meant that the Bengals controlled their own destiny concerning when they could relocate to another city. City Manager John Shirey rebutted by saying that the only deadline in the lease was for the guaranteed annual payments. He said there was no time reference in the agreement for required payment of concessions (The Cincinnati Enquirer, Mar. 13, 1995, p. A1 by Geoff Hobson, Candace Goforth, & Richard Green).

To take full advantage of his declaration and make some headway in the stadium process, Brown announced his newfound lease situation during a 1995 NFL owners’ meeting in Phoenix, where the 30 owners were to vote that week on the Rams’ proposal to move from Los Angeles to St. Louis. Brown said that under NFL guidelines at the time, the Bengals were more qualified to relocate than the Rams. Brown cited Anaheim’s stadium size (69,000 to 60,000), greater number of luxury boxes (108 to 20) and greater attendance over the last 10 seasons as compared to the Bengals and the stadium they played in (Riverfront Stadium). During that same week, an article appeared in The Cincinnati Enquirer noting that the Baltimore Orioles’ owner, Peter Angelos, who was in the process of trying to purchase an NFL franchise for Baltimore, had indirectly encouraged Mike Brown to relocate to Baltimore during an interview with The Baltimore Sun newspaper (Mar. 13, 1995, p. A5 by Hobson, Goforth, & Green).

Just a month later in April 1995, the NFL approved the Los Angeles Rams’ relocation to St. Louis. With the Rams’ approval and the Bengals’ stadium situation at a standstill, the city of Los Angeles became a candidate for Brown (The Cincinnati Enquirer, Apr. 13, 1995, pp. A1 by Hobson). But Brown had his sights set on Baltimore. That same month, Brown issued an ultimatum to the city of Cincinnati to guarantee by year’s end that a new football stadium would be built with taxpayer dollars or he would
allow Baltimore and Maryland officials—with whom he had already met—to “woo” him. For the first time, Brown made it apparent that he was engaging in formal relocation talks with another city and it was the first deadline he had given for a resolution to the stadium debate. He established this position because of his disbelief that the local business and political leaders of the city were going to build him a new stadium. His suspicious feelings were born out of the mixed signals he had received from those whom he called “high, high city officials and CBC [Cincinnati Business Committee] types” (The Cincinnati Enquirer, Apr. 13, 1995, p. A6 by Hobson) who in one instance told him there’d be a new stadium and the next minute that there wouldn’t be one. His ultimatum would force action, good or bad. But Mike Brown only wanted something to happen. He needed progress to occur.

As mentioned earlier, Brown had already met with Maryland officials. Specifically, he had discussions with John Moag, Jr., chairman of the Maryland Stadium Authority (MSA). The MSA had been charged with finding an NFL team for the city of Baltimore. Moag had flown to Cincinnati to meet with Brown. In that meeting, Brown was informed of the incentive package Baltimore was capable of providing. It would build an open-air football stadium next to Camden Yards—a beautiful retro-style baseball park home to the Baltimore Orioles—that would generate as much as $25 million in annual revenues for its occupant. Baltimore’s inducement would hold the newly selected team liable for no costs and there would be no rent incurred for the stadium. The only catch was that Brown (or any other team that was offered the incentive package) would have to make his commitment by the Fall of 1995; otherwise, Maryland’s governor would channel the funds toward public education instead (The Cincinnati Enquirer, Apr.
19, 1995, pp. A1, A9 by Green). Some choice, one may add, that the greater good be subjugated by the greater greed!

Maryland’s governor, John Moag, Jr., had notified Brown that he had only until July 1, 1995 to make his decision on whether to relocate to Baltimore. This artificial time limitation forced Brown, the city of Cincinnati, and Hamilton County to make decisions much sooner than they had originally anticipated. Brown had been simultaneously negotiating with Baltimore and Cincinnati for a new stadium, but it was Baltimore that had already had an offer on the table. Its offer to Brown was a guaranteed package that consisted of a new 70,000-seat, $180 million open-air stadium with 100 pre-sold luxury suites (The Cincinnati Enquirer, Apr. 22, 1995, pp. A1, A9 by Green). The proposal was exactly what Brown wanted, but the city that Mike Brown and his father founded the franchise in and called their home for over 27 years had not yet made an offer; and Brown promulgated his preference to stay in his hometown.

The problematic situation that the city of Cincinnati and Hamilton County encountered, was that they needed to appease two professional franchises with new multimillion dollar stadia as opposed to placating just one sports franchise. History was about to be made as no city had ever voted for the subsidization of two stadia in a single referendum. This was a tall order; but if Cincinnati was to keep both of its professional sports franchises in town, the construction of both proposed stadia were essential to their retention.

Baltimore’s interest in and pursuit of the Bengals, along with Brown’s deadline for the city to make a decision, seemed to go unnoticed when the Cincinnati Business Committee (CBC) appeared to grant Schott and the Reds a 45,000-seat, old-style, open-
air ballpark located on the prime site Brown had been vying for on Riverfront West (just west) property. To make matters worse, the Cleveland Browns became a serious contender for relocation to Baltimore after the Browns’ owner, Art Modell, announced his intention to depart Cleveland for Baltimore’s greener pastures (The Cincinnati Enquirer, May 31, 1995, pp. A1, A6 by Green).

After these developments unraveled, a renovated Riverfront Stadium for the Bengals looked to be a feasible option. He considered the prospects of accepting a refurbished stadium, but decided that it was not a viable option due to the new economic structure that enveloped the NFL. His interpretation meant that a renovated, out-of-date stadium would not get the economic support that a new, modern structure would receive. Renovation, in other words, would not produce an adequate intake of profits necessary to give Brown’s team an opportunity to become competitive. His shift in thinking about renovation came about while at the 1995 NFL owners’ meeting in Phoenix. It was there that he became aware of major plans being developed for new stadia in other markets. The meeting convinced him that a rebuilt Riverfront Stadium would not allow for the construction of enough club seats or luxury suites to keep up with other teams in the league (The Cincinnati Enquirer, June 1, 1995, pp. A1, A14 by Hobson). Again, it is difficult to assess if Brown’s motives were to “keep up” with other teams in the league (a contender issue) or to enhance his personal income at citizens’ expense. The fact that the Bengals have not been competitive in either the old or the new stadia points to the latter.

Although the offer from the city of Baltimore was still on the table, and the city of Cincinnati and Hamilton County had not yet made an offer to build a new stadium for the Bengals, Mike Brown was willing to work something out to stay in Cincinnati no matter
how many ultimatums he issued. The $200 million package offered by Baltimore included a $4.5 million renovated practice facility and was projected to yield the tenant approximately $44 million per year in revenue. The Bengals, on the other hand, were only receiving approximately $8.5 million per year in revenue from Riverfront Stadium at that time in 1995. In response to the offer presented by Baltimore, Brown—in an interview with *The Cincinnati Enquirer*—made it apparent that his loyalty preceded economic gain: “It’s a very attractive offer. It’s just that we’ve been here 28 years and that’s hard to throw over the side” (June 2, 1995, p. A8 by Hobson & Green).

City and county officials, sensing his underlying desire to remain in Cincinnati, continued to offer Brown a less-desirable rehabilitated Riverfront Stadium. To entice the deal for Brown to accept a renovated stadium, the city offered to give him gross revenue guarantees of at least the NFL average for the length of the lease (*The Cincinnati Enquirer*, June 7, 1995, p. C1 by Hobson). Brown responded by stating that he would rather wait until the Reds’ new baseball stadium was completed and be guaranteed a new stadium afterwards than be stuck with a refurbished facility (*The Cincinnati Enquirer*, June 30, 1995, p. A7 by Green, Goldberg, & Michaud).

Schott originally announced her desire for a new 45,000-seat, old-style, open-air ballpark located on the “prime site” of Riverfront West (just west) property in November 1994. Her claim to the site appeared to be approved by the CBC in May 1995. Brown’s options began to fade after hearing of Schott’s supposed acquisition of the site. Disappointment set in as the threats to leave Cincinnati in pursuit of a new stadium seemed imminent and were becoming all too real (*The Cincinnati Enquirer*, May 31, 1995, pp. A1, A6 by Green). The very next month, on June 24, 1995, Brown issued
another ultimatum. He threatened to open immediate and exclusive negotiations with Baltimore if Cincinnati officials did not guarantee him a new stadium by June 29 (The Cincinnati Enquirer, June 30, 1995, p. A7 by Green, Goldberg, & Michaud). With only five days for Cincinnati and Hamilton County officials to resolve the ultimatum and a July 1, 1995, deadline given by Maryland officials for Brown to make a decision to move to Baltimore, the threat was taken seriously and given the utmost attention. Marathon sessions started between the city and county to get the stadium issue resolved in order to keep both the Bengals and Reds in town.

Just two days before Brown issued his latest ultimatum, County Commission President Bob Bedinghaus drew up a 1% county sales tax increase proposal to finance new stadia for both sports franchises to prevent their departures. On June 27, 1995, he made his proposal a reality—without voter approval—by announcing that a majority vote of the county commissioners and city council had been reached. The sales tax increase was proposed without voter approval to prevent the Bengals from entering into exclusive negotiations with, and possibly relocating to, Baltimore. It was also proposed because the Regional Stadium Task Force (RSTF) could not reach an accord with local Tri-state leaders on a regional stadium-funding solution (The Cincinnati Enquirer, June 27, 1995, pp. A1, A4 by Green & Michaud). According to Shirey, “When talks moved to raising taxes outside the Hamilton County lines [,] ‘[e]veryone got up and left the table except the city and the county’” (http://bengals.enquirer.com/2000/08/13/ben_the_deadline_deals.html, p. 5 by Dan Klepal).

To get the sales tax increase approved involved much negotiation and compromise on the part of the city and county. But the final vote to support the sales tax
eventually went to the citizens of Hamilton County, thanks in part to Tim Mara and his “Citizens for Choice in Taxation” anti-tax group that collected over 88,000 signatures from Hamilton County citizens, enabling the tax initiative to be placed on the March 1996 ballot.

**The Fight for State Funding**

When city officials scrambled to appease Mike Brown following his relocation threats in November 1993 and pursued to follow through on their agreement with the Bengals in December 1993 to renovate Riverfront Stadium, the dominant interests lobbied the state of Ohio to receive funding from the Governor’s 1995-1996 state capital improvements bill to finance the project. They sought approximately $6 million to apply toward the refurbishment of Riverfront Stadium. City leaders, perhaps using the theme of families first as a façade, put the stadium agenda at the top of the list. As noted earlier, being on the top of the city’s “wish list” of needs, (Cincinnati Republican of the Ohio Senate) Stanley Aronoff and statehouse leaders were appalled and in disbelief that temporary renovation of a sports facility was the city of Cincinnati’s highest priority in its pursuit of state funds. [This was Aronoff’s reaction to the city’s original “wish list,” which included an inordinate number of projects at an extremely high cost to the state, prompting him to advise the city to narrow their vision of what was most important to them in the immediate future.] Aronoff was confident their priority for the renovation of a sports stadium would not get approval from Ohio’s General Assembly because the state typically does not fund these (temporary) types of projects. Subsequently, Aronoff recommended that city officials seek funding for the construction of a new stadium (The
The problem then became who would receive a new stadium, the Bengals or the Reds?

With this in mind, Cincinnati officials began studying downtown revitalization efforts of other cities in which a new stadium had been incorporated. Cincinnati began to seek state funding for a new stadium upon Aronoff’s insistence and upon observation of the revitalization efforts conducted in Cleveland. Cleveland's revitalization effort involved development along the Cuyahoga River, including new basketball and baseball stadia (known as the “Gateway Complex”) for the Cavaliers and the Indians. Cleveland was a model with which Cincinnati officials became interested in emulating.

Transfer Stadium Management to County

With the agreement in place for the city to build the Bengals a new stadium by the year 2000, they needed to come up with the funds to make it possible. But, according to city council, they did not and would not have the needed funds to construct new stadia. City council announced their inability to afford the cost of a new stadium because of downtown Cincinnati’s decrease in population over the past decade. The loss of many white, middle- to upper-class residents to the suburbs and away from the downtown region left a high proportion of lower-income populace. Leaving the city to collect scanty revenues from a low tax base would not allow them to financially contribute much to the construction of stadia. Moreover, too many incentives had been given to corporate, finance, retail and service sector capital so that their contributions were also less than might be expected, given their demands for revitalization. To solve this dilemma, the city proposed that the county take over management of the stadium because the suburban
areas, like most metropolitan cities, have been increasing in population since WWII. This really was a Hudnut (former mayor of Indianapolis) message—the county was the city.

In addition to the city’s inability to pay for new stadia for the Bengals and Reds, they were also still paying for debt-ridden Riverfront Stadium. Although the county actually owned Riverfront Stadium, the city had owned the rights to operate it since 1967. Because of this, the city had been the entity paying on the stadium bonds that were issued for the $44 million structure (The Cincinnati Enquirer, Jan. 12, 1994, p. B1 by Mark Braykovich & Patrick Crowley). Of the $44 million the city had been paying on over the last 24 years, they still had debt on the stadium lease of over $26 million. Because of this, county commissioners would only talk seriously with the city about taking over the lease and ultimately financing a new stadium or stadia if the city modified specific agreements it had with the county (The Cincinnati Enquirer, Dec. 14, 1993, p. B1 by Crowley).

Two of the county’s major concerns dealt with management of the Metropolitan Sewer District (MSD) as well as financial issues concerning the Hamilton County Justice Center (The Cincinnati Enquirer, Jan. 12, 1994, p. B1 by Braykovich & Crowley).

With respect to the MSD—owned by the county and operated by the city—the city and county were in disagreement on which entity would manage it. The county wanted complete control as part of the negotiation in taking over management of Riverfront Stadium. As for the Justice Center, county commissioners were dissatisfied with paying all of the costs associated with it because almost 70% of those that had historically occupied it were city residents. The county also wanted a new jail, but was not in the financial position to afford one (The Cincinnati Enquirer, Dec. 14, 1993, p. B1 by Crowley).
The city was in need of approximately $40 million worth of stadium repairs to the parking garage. They did not have the funds to make the repairs and requested $7 million in help from the county. The county did not oblige because they said the city squandered away stadium revenues on other city services instead of using them to repair the stadium (The Cincinnati Enquirer, Sept. 3, 1994, pp. A1, A4 by Green).

Economically, the county was in a position to acquire a great deal through the negotiation process during stadium management transfer talks. For the county to take over stadium management as well as finance stadia for the city’s two professional franchises, the county demanded $5 million annually from the city’s general fund and complete control of the MSD (The Cincinnati Enquirer, July 2, 1995, pp. A1, A8 by Green). The county also wanted ownership of the Bengals’ training site, Spinney Field; a $5 million a year ticket surcharge the city was getting paid via fan attendance; earnings taxes from stadium employees, Reds’ and Bengals’ players; and the city’s share of property taxes generated by Riverfront Stadium (The Cincinnati Enquirer, June 27, 1995, pp. A1, A4 by Green & Michaud).

During a June 27, 1995 meeting involving Mayor Roxanne Qualls, County Commission President Bob Bedinghaus, and County Administrator David Krings, the meeting ended abruptly when Mayor Qualls read the county’s proposal with its list of demands. However, the officials were persuaded to continue the meeting when PNC Bank president and finance chairman of the Regional Stadium Task Force (RSTF), Ralph Michael—who was recruited to serve as a mediator—convinced them to return to negotiations. Michael convinced them to return by saying that the public would only remember them for losing the Bengals if they gave up. Michael obviously was using
another form of blackmail; for what are sub-state officials—entrepreneurs in the public interest—going to be remembered? Most things that they do, they receive little attention unless they involve the politics of recognition—typically identity politics and the more egregious politics of redistribution that articulate with them. These are constants and the public sees them as such. Losing such a highly visible entity as a sports franchise would be discerned as a political failure; and few (if any) politicians want to articulate their political futures with such a high prestige failure.

The county’s demands along with Bob Bedinghaus’ proposal that did not include a monetary pledge to Cincinnati’s public schools in lieu of property taxes angered the city. It was especially disturbing to Mayor Qualls because the school issue was important for her upcoming re-election campaign. Without a financial commitment to Cincinnati Public Schools (CPS), her campaign would probably have been in jeopardy. Despite this setback, a tentative deal was struck that night at 12:35 a.m. which included the county’s agreement to raise the county sales tax 1% (The Cincinnati Enquirer, July 2, 1995, pp. A1, A8 by Green).

In this provisory deal, the city agreed to allow the county to operate the MSD and commit $3 million toward the operation and maintenance of new stadia. In return, the county agreed to finance two new stadia for the city’s two professional sports franchises and agreed to drop its proposal to collect earnings taxes and ticket surcharge dollars (The Cincinnati Enquirer, June 29, 1995, pp. A1, A5 by Michaud & Goldberg).

The agreement reached on June 27, however, was not finalized. The city made modifications to the agreement on June 29 which stated that the city would not transfer management of the MSD, and it appealed to the county to pay between $28 million and
$50 million towards the metro bus system, the Southwest Ohio Regional Transit Authority (SORTA). Mike Brown had issued a deadline to announce his team’s departure provided there was no deal on the table by July 2. This time constraint impaired the county’s bargaining power with the city. The county finally succumbed to the temporal pressures, deciding that they would have to eliminate discussion of transfer of the MSD and the city would have to discontinue bus transit (i.e., SORTA) issues in order for the deal to stay afloat. This decision was at odds, it seems, with the recognition that the central business district and its amenity infrastructures required convenient systems of public transportation. As Smith (2001) reported from his “bottom-up” analysis, public transit systems were high on the priority list of his focus-group respondents. Other priorities included more funds for public schools in impoverished neighborhoods and affordable housing.

On June 30, 1995, city council voted to transfer stadium management to the county. Mayor Qualls was the deciding vote in favor of the transfer. The issue that swayed her vote was the agreement between the city and county to seek $10 million for Cincinnati Public Schools (CPS). Although the school agreement was not a guarantee, it was a pledge to seek a solution to the dilemma. The concordat promised the pursuit of change in Ohio law that would allow schools to receive funding in lieu of property taxes from the new stadia (The Cincinnati Enquirer, June 30, 1995, pp. A1, A7 by Green, Goldberg, & Michaud).

**Stadia Sales Tax Increase Proposal**

Because threats from Mike Brown to abandon the Cincinnati area had intensified, and a solution to regionally subsidize the proposed new stadia was unsuccessful, drastic
measures to retain the team seemed to be a rational approach. The Cincinnati community was faced with threats (whether real or perceived) of losing their professional sports franchises since the Regional Stadium Task Force (RSTF), a committee formed by Mayor Qualls to come up with a feasible funding solution, was unable to persuade bordering regional Tri-state counties encompassing parts of Ohio, Kentucky, and Indiana to approve a regional plan (The Cincinnati Enquirer, July 2, 1995, pp. A1, A8 by Green).

To avoid a premature departure and prevent the Bengals and Reds from relocating to “greener pastures,” Bob Bedinghaus, Hamilton County Commission President, devised a plan to fund the construction of two new stadia. His idea was to raise the county sales tax by 1%. By raising the sales tax an additional 1%, the county sought to collect $35 million per year to pay for two new stadia, $40 million per year to rebate homeowners’ property taxes, and another $25 million per year to pay for a variety of issues related to public safety, including a new jail and a 911 call center. Surely the point that has to be made here is that the proposal to rebate homeowners’ property taxes completely neglected the rental plights of the urban poor—taxpaying citizens who would receive nothing in recompense for the additional burdens the regressive sales tax would impose. Also, we must be conscious of the fact that “public safety” and jails simply translate the politics of maldistribution into a problem of poverty and race. That is, we are not prepared to offer those who are victims of poverty an economic redistributive solution, and should these victims decide to resolve their crises through acts regarded as felonies, more space for those convicted certainly is required. Social issues are represented as personal problems of character and the infrastructural and structural conditions spawning
civic unrest are ignored in appeasement strategies designed to secure the consensus of the
consumerist and possessive individualist white middle-class.

Under the 1% plan, the county wanted to raise $100 million per year for 20 years. The county, however, faced stiff opposition from the outset. Hamilton county residents opposed the initial 1% sales tax increase proposal for several reasons:

1. It proposed to raise an excessive dollar amount
2. It contained a multitude of unrelated public safety issues
3. It would subsidize multi-millionaire owners
4. It was a regressive type of tax
5. It was introduced without voter approval.

When the 1% sales tax increase was initially proposed, the cost of constructing stadia had already been discussed. Early estimates pinpointed their total cost at no more than $390 million. Of the county’s proposed $100 million yearly impost, $35 million was designated for stadia. This means that it would take just over 11 years to clear the debt on both stadia. A red flag was raised by taxpayers puzzled, yet simultaneously angered, over why the tax was needed for 20 years. The community wanted to know why such an exorbitant amount of revenue was needed, but the county’s lack of open communication to explain its collection plan for such high dollar figures for an extended period created mistrust with its residents. Said City Councilman Tom Luken, “The county commissioners haven’t told us why they need $100 million a year forever to pay for stadiums [sic] that cost a couple of hundred million dollars. Obviously, this is a slush fund” (The Cincinnati Enquirer, Sept. 2, 1995, p. B11 by Michaud).

Mixed in with stadia in the original “Bedinghaus Plan” was a plot to collect approximately $25 million per year to pay for a new 300-bed jail, crime-tracking equipment, and operations funds for the 911 communications center in Hamilton County.
Residents, however, were adamant on not paying for such public safety issues at that time; so much so, that the county eventually created a completely separate referendum for this issue.

Particular city and county officials including City Councilman Todd Portune and County Commissioner John Dowlin were against the sales tax increase because they were against subsidizing stadia for owners and players who are not in need of such welfare dollars. The general public, who would be turning over their limited capital to subsidize stadia, possess a higher level of need to retain what moderate means they have more than any owner or player in the National Football League (NFL) or Major League Baseball (MLB). Minimum salaries for players in each league reached well over $100,000 per year in 1995. Average salaries (1994) in the NBA were $1,870,000; in the MLB, $1,186,000; in the NFL, $737,000, and in the NHL, $463,000 (Eitzen & Sage, 2003, p. 228). This is not the place to educate the public in Marx’s labor theory of value—a theory that, given the revenue streams the athletes produce, would argue that exploitation still exists. It is the place to argue that the public share few reference points with the athletes they support. Thus, we may sympathize with those who viewed both the owners and the athletes as greedy—the former scapegoating the latter—as the primary problem to the fiscal crisis in professional sports.

Citizens for Choice in Taxation (CCT), a grass-roots anti-tax group, was also against the sales tax increase because it represented support for what are highly profitable businesses. Led by Tim Mara (a lawyer in Cincinnati by day and an activist by night), CCT believed that Brown and Schott just wanted to increase their own profits by using tax dollars from “average” citizens. In other words, CCT believed that the stadia sales tax
was a wrong use of public money (The Cincinnati Enquirer, Jan. 22, 1996, pp. A1, A3 by Michaud). Others concurred with these sentiments.

While Cincinnatians were faced with the issue of publicly subsidizing stadia, and Clevelanders had just approved a new stadium to be built with “sin” tax dollars (revenue that comes from the sale of alcohol and tobacco products), a group of Republican senators in the state of Ohio were taking a pro-active stance against the use of tax dollars for the construction of stadia. Hearings were held to explore ways to prevent spending state money to subsidize professional sports teams and to question the economic benefits associated with sports teams. The hearings came as a backlash to the astronomical numbers being thrown around about how much state taxpayers would be forking over to subsidize the ventures of the already rich [approximately $114.6 million to build new stadia in Cincinnati and Cleveland] (The Cincinnati Enquirer, Feb. 22, 1996, pp. A1, A8 by Davey). Fiscal conservatism, however, contains its own contradictions as re-election image and Republican ideology do not always articulate precisely.

Bedinghaus was also getting negative feedback from African-American groups such as the Baptist Minister’s Conference about passage of the 1% increase because they had complained of the regressive nature of the sales tax. He felt he needed to turn their opposition around (The Cincinnati Enquirer, Jan. 7, 1996, p. B1 by Wilkinson). He also faced opposition from CCT and Tim Mara on this issue. They said that poor people would be hit hardest by the new tax. Even a proponent of the sales tax, State Democratic Senator William Bowen, opined his views about the sales tax in The Cincinnati Enquirer by charging that “the sales tax is the most regressive kind of tax. It’s the worst tax of all from my perspective” (Jan. 17, 1996, p. B1 by Michaud). Mara reinforced this issue by
continually referring to the sales tax as a “reverse Robin Hood scheme.” He argued that “it taxes everybody equally without regard to their ability to pay” (The Cincinnati Enquirer, Jan. 17, 1996, p. B6 by Michaud). He pointed out that the poorest 20% pay three times as much of their income (3.5%) in sales taxes compared with the wealthiest 20%, who pay 1.2% of their income to the tax, according to a University of Cincinnati study conducted by the school’s Center for Economic Education (The Cincinnati Enquirer, Jan. 17, 1996, p. B6 by Michaud).

In rebuttal to the negative aspects of a sales tax, Irani (1997) countered this argument by stating that, although a sales tax bears an incommensurate burden of the stadium expense on low-income individuals (in terms of spending a higher percent of their income on the tax), it is the higher-income individuals who will actually contribute a larger dollar amount for the sales tax (p. 251). Additionally, editors of The Cincinnati Enquirer (in persuading residents to vote in support of the tax) regarded the sales tax as “the fairest and most painless tax” because the more a consumer buys, the more that is spent (The Cincinnati Enquirer, March 18, 1996, p. A12). In other words, a taxpayer can control, to some degree, how much he or she contributes to paying for stadia. Also, they point to the financial relief a sales tax can bring to its poor residents because, under this plan, prescription drugs and food (specifically take-out) are exempt from this tax.

When Commission President Bob Bedinghaus first imposed his 1% sales tax hike in June 1995 for the purpose of keeping the Bengals (and Reds) in town, there was an immediate backlash to his action. This was primarily due to his introduction of the sales tax without voter approval. Whether those opposing the tax proposal did not like what the additional tax money would be used for, or they just did not agree with the
non-democratic process imposed on them, the desire for a repeal of the sales tax proposal in a voter referendum seemed inevitable. Although Ohio law permits a majority of the county commissioners to authorize the enactment of a sales tax hike without voter approval, it also permits residents an opportunity to rebut the hike by putting the issue up to a referendum (The Cincinnati Enquirer, June 27, 1995, pp. A1, A4 by Green & Michaud). A successful tax referendum had never occurred in Hamilton County’s history, but that didn’t stop Citizens for Choice in Taxation (CCT) from attempting to be the first. CCT was a broad coalition composed of anti-tax activists, union leaders, suburban government officials, and Councilman Tom Luken.

To get the repeal on the March 19 ballot, opponents needed to collect at least 26,000 signatures within 30 days of the county’s vote to raise the sales tax (i.e., by Aug. 25, 1995). The anti-tax group submitted over 88,000 signatures from Hamilton County residents to bring the issue to a ballot vote on March 19 (The Cincinnati Enquirer, Sept. 2, 1995, p. B1 by Michaud).

For the reasons stated above, many Hamilton County taxpayers strongly opposed the 1% sales tax proposal and, according to The Cincinnati Enquirer, support for the proposal only seemed to be coming from “diehard sports fans, the corporate world and a handful of politicians” (Jan. 7, 1996, p. B1 by Howard Wilkinson). Bedinghaus, as a result of this opposition, decided to reduce the sales tax increase to 0.5%. Just a few months before the election took place, Bedinghaus sensed that Issue 1 was not going to pass, and by lowering the sales tax increase a one-half percentage point, it indelibly kept the pro-tax campaign alive. Reduction of the sales tax increase helped dissipate anger and
increase support among many previous opponents; but heavy opposition to the tax still remained.

At the same time that the sale tax proposal was reduced to 0.5%, the county created a completely separate referendum for taxpayers to vote exclusively on public safety issues. Inclusion of public safety infrastructure and accouterment in the original sales tax proposal had taxpayers so adamantly against supporting it that the referendum would have likely failed had these issues remained in conjunction with the stadia issue on the same referendum (The Cincinnati Enquirer, Jan. 17, 1996, pp. B1, B6 by Michaud). Instead of deciding the fate of many issues at a 1% clip, taxpayers ultimately voted on two separate measures, each proposed to raise the sales tax one-half percent. The measures to be voted on were essentially split up into stadia and public safety issues. On Issue 1, taxpayers voted on new stadia and property tax relief. On Issue 2, voters decided whether to expand Hamilton County’s Justice Center and invest in other public safety equipment (The Cincinnati Enquirer, Nov. 9, 1995, pp. A1, A7 by Green).

When Bedinghaus learned of Art Modell’s (former Cleveland Browns’ owner) announcement to abandon the city of Cleveland and move to Baltimore the next season, it compelled Bedinghaus to make Issue 1 more inviting to vote for. Bedinghaus feared the loss of the Bengals to Cleveland had the March 1996 measure been defeated. The reduction of the original sales tax plan from 1% to 0.5% may have worked in powerful conjunction with the announcement by Modell to depart Cleveland. The reduction, however, may not have been necessary considering the perception of the Modell announcement around the community during its aftermath. For example, Ralph Michael, PNC president and head of the DCI stadium committee, thought support for Issue 1 had
grown since Modell announced his intention to uproot his team to Baltimore and the county reduced the tax increase: “[The announcement] made it apparent that Mike Brown could have left. The threat had immediate credibility” (The Cincinnati Enquirer, Dec. 22, 1995, p. A12 by Ward). When Art Model moved his Cleveland Browns’ franchise to Baltimore, voters realized just how necessary immediate action was for the county to raise the sales tax without voter approval to retain the Bengals. Consequently, in combination with the reduction of the original 1% sales tax increase, Bedinghaus noticed that some taxpayers’ anger began to melt away (http://www.citybeat.com/archives/1996/issue208/news4.html by Roger Pille).

The 0.5% reduction did not, however, fundamentally change anything with respect to the amount taxpayers would contribute toward new stadia. It would still allot $35 million per year toward the construction of two new stadia and $15 million per year to rebate homeowners a portion of their property taxes. The only difference was that the 0.5% plan would not raise an additional $50 million per year for public safety issues.

Why a Sales Tax

In Cincinnati, the county concluded that an increase in the county sales tax was the ideal way to satisfy a majority of the taxpaying citizenry. Local officials believed the sales tax increase was an ideal solution to the funding of stadia because of a sales tax’s ability to be regionalized. According to a University of Cincinnati study, tourists and residents living outside of Hamilton County will contribute approximately 45% of the $50 million in new annual sales tax receipts (The Cincinnati Enquirer, Mar. 17, 1996, pp. A1, A4 by Green & Michaud). Because of the Regional Stadium Task Force’s inability to obtain regional support for the funding of stadia, a sales tax seemed to be the most logical
alternative to garner the subsidies without governmental and corporate approval. It did not detract from corporate and finance capital incomes. It purportedly would not detract from service sector incomes even though a sales tax is included in the food and drinks provided. One can only wonder how it might detract from the incomes of the retail sectors. From my perspective, the articulation of the different forms of capital seemed to be in disarray. It remains as a lesson: Capital in its various formations is not a monolithic enterprise easily reduced to any formulaic equation.

Another reason a sales tax was considered an ideal form of public funding for the particular situation was the low sales tax rate already enjoyed by Hamilton County residents. When talks surfaced during Brown’s relocation threats, Hamilton County’s sales tax was at 5.5%. At the time, it was the lowest rate among Ohio’s largest counties. Franklin County in Columbus was at 5.75%, Cuyahoga County in Cleveland was at 7%, and even neighboring Clermont County in the Cincinnati area had a sales tax rate of 6% (The Cincinnati Enquirer, May 31, 1995, pp. A1, A6 by Green). By increasing the sales tax rate in Hamilton County an additional 1%, it still had a lower rate than Cleveland. Also, when the sales tax increase was reduced to 0.5%, the increase would have only matched the rate currently taxing those in neighboring Clermont County. With that view in mind, the increase could have been seen as something that was inevitable. Hamilton County residents could have looked at the positive side of the situation by rationalizing that they had been getting away with paying such a low sales tax rate when compared with other nearby communities.
Cincinnati Public Schools (CPS)

A sticking point in getting approval for the tax increase and transferring stadium management back to the county involved the issue of foregone property taxes. Mayor Qualls would not approve transfer of stadium management to the county nor would she approve the construction of multi-million dollar stadia unless some compensatory revenue went to Cincinnati Public Schools (CPS) to cover losses from the new stadia’s foregone property tax abatements. Cincinnati’s public school system was in dire need of funds for maintenance and repairs. In 1993, a study identified $348 million worth of needed building repairs, and a levy request for those repairs was defeated by voters. As a result, the Board of Education cut $31.4 million in programs and employees in 1995.

As I previously noted, a hitch in the entire negotiations was that Ohio had a law that prohibited the transfer of county sales tax funds to go to local school districts. In June 1995, the city and county did, however, agree to pursue a change in this law that would allow schools to receive approximately $10 million a year ($5 million each from the city and county), an amount equal to property taxes CPS would have received from the new stadia, for improvements to the school buildings (The Cincinnati Enquirer, June 30, 1995, pp. A1, A7 by Green, Goldberg, & Michaud).

An Ohio House committee passed a bill in July 1995 that enabled cities, counties, and sports facilities to enter into special agreements to finance school construction in lieu of property taxes. This paved the way for the proposed $544 million construction of two stadia on Cincinnati’s riverfront. But it wasn’t until February 1996 that the Cincinnati Board of Education entered into an agreement with Hamilton County. The proposal stated that if and when new stadia were constructed, the schools would receive $5 million
per year from the county for 20 years. The city had not yet approved such a deal with the Cincinnati Board of Education, but were negotiating with them (The Cincinnati Enquirer, Feb. 8, 1996, p. B2 by Mark Skertic).

Leaders of the Cincinnati Federation of Teachers (CFT) were not impressed with the amount of money going to the schools. They contended that inflation on the almost $400 million they needed for repairs was more than the $5 million a year the county was prepared to offer. A member of the CFT concluded that the money should have been going to them anyway had state law not allowed an abatement of real estate taxes for stadia. In other words, the city and county should not have been congratulated for something that should have occurred anyway. In the CFT and CPS’s viewpoint, they were owed these funds.

In another effort to sway voters in favor of the increased sales tax, city council came to terms with CPS just days before the March referendum by also agreeing to give them $5 million a year in lieu of property taxes for school repairs. With the city’s proposed contribution, Cincinnati’s public schools would receive a total of $10 million per year—the first $5 million guaranteed—when combined with the county’s proposed contribution. The capital would come from revenue generated by the stadia once the facilities were built (The Cincinnati Enquirer, Mar. 17, 1996, pp. A1, A4 by Green & Michaud). Tom Mooney, president of CFT, fought to obtain firm commitments from the city and county that the schools would receive the revenue immediately when the sales tax began. CFT, however, lost the battle.
Property Tax Relief

As noted previously, in January 1996, Bedinghaus saw the need to reduce the sales tax increase to 0.5%. When the county was on the verge of contributing millions of dollars to CPS, the county dedicated a portion of the sales tax revenue to property tax relief. Bedinghaus pledged to commit $15 million from the sales tax to rebate homeowners’ property taxes. The intent of the relief from this burden was to persuade homeowners to agree more easily on levy renewals and/or increases. Mr. Mooney warned county commissioners that if they did not give enough property tax relief to encourage voters to approve school levies, the CFT would most likely become part of the repeal effort and vote against the proposed stadia (The Cincinnati Enquirer, Feb. 8, 1996, p. B1 by Green).

Tim Mara also was unimpressed with the property tax rebate. He voiced dissatisfaction with the tax, denouncing it for its bias against renters. He predicted that 40% of Hamilton County residents were renters and that they would be excluded from receiving the tax break in the event the referendum should pass (The Cincinnati Enquirer, Feb. 25, 1996, pp. B1, B5 by Michaud).

“Sunset” Clause

Another financial sore spot on the minds of voting taxpayers and naysayers of the sales tax increase was the issue concerning the amount of the tax that was being collected. As mentioned, the 1% sales tax increase originally aimed to raise $100 million over 20 years; an exorbitant amount for what the tax increase was supposed to pay for. However, once the sales tax increase was reduced to 0.5%, the county’s intent was to raise only $50 million per year for 20 years. Of that, $35 million was to be set aside for
stadia construction costs and the remaining $15 million per year was for property tax relief for homeowners. According to these calculations, $700 million would be contributed toward stadia construction—more than enough to cover the $544 million estimated cost for the two stadia. With complaints filing in from all directions, county commissioners agreed contractually with the city to discontinue (or “sunset”) the portion of the sales tax dedicated to stadia construction once the stadia debt is retired. By sunsetting the tax and making it legally binding, the county was taking positive steps toward Issue 1’s passage (The Cincinnati Enquirer, Jan. 17, 1996, p. B6 by Michaud).

**Financing Alternatives**

After the announcement of the Browns’ potential relocation to Baltimore, Governor George Voinovich and Mike Brown insisted that no “Plan B” existed and that no other financing option existed. Tim Mara disagreed, however, continually countering that there was a Plan B and that Bedinghaus was bluffing to scare voters into a “yes” vote (The Cincinnati Enquirer, Mar. 10, 1996, pp. A1, A13, B1, B6 by Green). Not only was Bedinghaus criticized by sales tax opponents for the amount that was being requested from taxpayers, but also for the lack of higher monetary contributions from private sources such as the teams and local businesses. He tried to disarm the opposition by alluding to the absence of private investors available to fund the projects. According to an article in The Cincinnati Enquirer, Mara said that if the stadia could have been financed entirely with private dollars, they would have been. In essence, he was theoretically correct in his assessment, yet this did not seem to be quite the truth (June 2, 1995, pp. A1 by Hobson & Green).
New stadia for the Bengals and Reds could have been completely financed with private dollars had plans by Robert Morrow and Skip Korb been accepted. Morrow, a Pittsburgh native, along with a group of investors called Cincinnati Hippodrome Limited from New York City, announced a plan to build a stadium built to Mike Brown’s specifications. It would have been an open-air, football-only facility with 100 luxury boxes—just as Brown had demanded. The proposal came only days after Brown’s initial relocation threats in 1993.

The problem with the Morrow solution concerned the issue of stadium location. The group had proposed to build the stadium in Butler County’s Union Township, not in the city of Cincinnati or in Hamilton County. With location of the proposed stadium outside of Hamilton County limits, the county and/or city of Cincinnati purportedly would have lost jobs as well as residents to the outlying county. This would have resulted in a lower tax base in Hamilton County. Considering that the main objective of retaining the city and county’s professional sports franchises revolved around economic development and urban revitalization, it is understandable that this proposal was not accepted by Cincinnati and Hamilton County officials.

Another individual who had an idea to fund a new stadium for the Cincinnati Bengals with entirely private dollars was Skip Korb, a leader of the City Plaza group. His proposal consisted of putting up $90 million worth of PSL’s and $10 million for naming rights from a corporate investor to build a retractable dome (The Cincinnati Enquirer, June 2, 1995, pp. A1, A8 by Hobson & Green). The dome would have been used for other events such as conventions, trade shows, and even as the home of a possible expansion NBA team. But one of the problems with this plan included the lack
of financing for a baseball park for the Reds. As far as financing for a Bengals’ stadium, no one stepped up to support this plan.

Of more significance, though, is that even if someone had stepped up to back up Korb’s plan, a dome was not on Brown’s wish list. His stance had always been for an open-air stadium. For those who did support a multi-use dome, such as sales tax opponent and County Commissioner John Dowlin, a dome would have been a better investment with the ability to host more than just 10 Bengals’ home games per year. According to *CityBeat*, a Cincinnati publication, Dowlin would have been more likely to support the sales tax if a dome had been the solution. “But Mike Brown says, 'I don't want a dome. Real football players don't play under a dome, and real fans don't sit under a dome,'” chimed Dowlin (http://www.citybeat.com/archives/1996/issue214/cover1.html, para. 35 by Nancy Firor & John Fox). A domed stadium would not have given the leverage Mike Brown wanted. Had a dome been constructed adjacent to the Convention Center, it could have provided revenues to the city from a year-round cycle of events. Thus, Brown would not have had recourse to threaten relocation in the future since the loss of the Bengals would have been a negligible factor in the overall economic picture. What might have been good for the community-as-a-whole was relinquished for the private gains of a few.

Robert Morrow and Skip Korb’s proposals and offers could have been explored in more depth. In my estimation, Morrow’s proposal for a football-only facility was more feasible than Korb’s. However, there was more to it than just the “donation” of a stadium. For instance, there was the issue of location. Remember, Morrow offered to build outside of the city and county limits in Butler County. This would have done the city and county
virtually no good as it would not have brought them the image, prestige, and tax dollars they had fought for. Figuring in another calculation, there was no offer to build a “free” stadium for the Reds (The Cincinnati Enquirer, Feb. 25, 1996, pp. B1, B5 by Michaud).

In terms of Plan B options, other public financing alternatives could have been explored as solutions to funding the construction of new stadia. The state of Maryland implemented a sports lottery in 1995 to pay for the construction of a new stadium for the expansion NFL Baltimore Ravens. With this system, only those who are interested in the project pay for it. But this was shunned as a form of public financing for the Bengals’ new football stadium in Cincinnati because Governor Voinovich believed it to be against his (and the state of Ohio’s) morals to garner funds through the act of gambling—a non-family-oriented activity (The Cincinnati Enquirer, Dec. 1, 1994, pp. A1, A16 by Green). Middle-class ideologies of responsibility and respectability often overlook what the rich and poor have in common and have had in common for many a year—the eustress involved in risk. The legislation of eustress is, of course, more conveniently aimed at the subordinate as against the dominant. The former have to be protected against themselves.

The notion of family as the overriding theme in Cincinnati’s riverfront redevelopment scheme, and this type of revenue creation would have defeated this concept. However, justification for abrogating this type of funding comprised a high level of hypocrisy. In Ohio, there are many forms of legal gambling that contribute to the operation of the state government. For instance, there is a wide array of “scratch-off” (or “instant”) tickets, the Ohio Lottery (and a handful of other lotteries in which numbers are selected), horse racing (including those at annual fairground events), and even local
Bingo gatherings. With so many forms of “family-type” gambling available (of which there may be countless others) in the state of Ohio, Voinovich’s logic in avoiding this type of funding solution is defective. Allowing this type of funding would isolate those who supported and those who objected to paying for new stadia, thereby avoiding or decreasing such intense opposition that often occurs.

Also, what families would actually benefit in this development concept was a question displaced onto some stereotype of what Cincinnati families were and wanted. In the undifferentiated stereotype, the inclusionary rhetoric glossed the real differences of social class and race and conflated these real differences into an imaginary whole.

County officials in Cincinnati were also considering a “sin” tax—the type of tax that was implemented in Cleveland to fund construction of a new Browns’ stadium. The tax would have been collected on a regional basis, crossing into Kentucky and Indiana. But the situation in Cleveland was different than that of Cincinnati in terms of their locations. Cleveland was able to implement increased taxes on alcohol and tobacco products because they have no other city to compete with for their tax revenues. Cleveland is bordered by a lake whereas Cincinnati is bordered by another city immediately across the state line where the tax would not be in effect. Cincinnatians could drive across the river into Kentucky to purchase alcohol and tobacco products at cheaper prices. This would result in a decrease in economic activity in the entire Cincinnati metropolitan area. Also, because the state of Kentucky is a high producer of tobacco and it has a positive economic effect on the state, State Senator Joe Meyer strongly expressed his opposition to the tax. He stated that tobacco was their top export outside of the U.S., yielding approximately $768 million per year (The Cincinnati
Enquirer, Dec. 1, 1994, pp. A1, A16 by Green). For these reasons, county commissioners were opposed to implementing this type of tax.

**Team & Businesses Contribute to Stadia Funding**

In his initial 1% sales tax plan, Bedinghaus announced his intention of having 30% of stadium construction costs (approximately $130 million) to come from private sources including license fees from concessionaires and merchants as well as naming rights and luxury suite rental dollars from Tri-state corporations (The Cincinnati Enquirer, July 27, 1995, pp. A1, A4 by Michaud). However, Bedinghaus did not obtain definite commitments from these sources, namely the teams and local businesses. This produced resentment towards the owners and opposition towards Issue 1. Polls showed community-wide lack of support because of the lack of financial commitment on the part of the teams and businesses. African-American groups, as well as labor organizations such as the AFL-CIO, did not endorse Issue 1 because they wanted the teams and local businesses to commit a firm, monetary figure towards the construction of new stadia.

To back up his plan and offer taxpayers a form of protection in order to get more votes, Bedinghaus promised the citizens of Cincinnati and Hamilton County that stadia would not be built using taxpayer dollars unless the Bengals or Reds signed a lease and the teams’ and businesses’ financial commitments were in place by June 1, 1997. Without these commitments, the sales tax would be revoked (The Cincinnati Enquirer, Feb. 21, 1996, pp. B1, B6 by Green). The voting citizenry was skeptical of the situation. They pondered over the idea that their county government wanted them to pass the sales tax increase before any monetary commitments were made by those for whom the stadia were being built. Without the “Bedinghaus clause” in writing, the sales tax referendum
would likely have faced increased opposition. Just three months before the vote, the resolution to include Bedinghaus’ provision was officially passed by county commissioners in January 1996 (The Cincinnati Enquirer, Mar. 21, 1996, pp. A1, A10 by Michaud & Hobson).

Pro-tax factions were well aware that the community was in an upheaval over the non-commitment of private dollars, especially from the team owners. The county spent months persuading Mike Brown and Marge Schott to contribute to their own cause. It was well known that they had to announce a contribution or the tax was in danger of not passing (The Cincinnati Enquirer, Feb. 1, 1996, pp. D1, D11 by Green). It wasn’t until about ten days before the vote was to take place that Mike Brown and the Bengals made the breakthrough announcement to contribute between $25 million and $35 million toward construction of his much sought-after football-only playing field. While this amount might have appeared as significant, it would easily be offset by the increase in the value of the franchise once the stadium was built [Also keep in mind that these dollar figures were recouped by charging PSL fees.] In addition, Brown verbally agreed to keep the Bengals in Cincinnati for another 20 years (The Cincinnati Enquirer, Mar. 10, 1996, pp. A1, A13, B1, B6 by Green). Just three days later, business leaders of the Cincinnati metropolitan region pledged to buy luxury boxes, club seats, and in-stadium advertising. But they gave no specific dollar figure. Anti-tax group leader, Tim Mara, did not buy into their last-minute antics in trying to seal the deal. Mara was critical of Brown’s pledges because he believed they were just last-ditch efforts with which to fool the voters into Issue 1’s passage. He also grumbled about the fact that there were no signed agreements to make the pledges binding, which would have enabled Brown to rescind his offer

With no signed leases, there was no guarantee how long the teams would stay once the stadia were built. If they did sign a lease, by today’s sports relocation standards, what would prevent them from leaving before their lease was up? How could the Cincinnati community be sure that they would not be stuck with deserted stadia with no prospects to fill the void (expansion teams in the major sports leagues are rare occurrences) and the financial burden of continuing to pay the portion of the sales tax dedicated to their construction? They couldn’t.

Financial & Social Consequences of Losing Teams

When a community faces the loss of one (or two, in this case) of its professional sports teams, the loss is believed to cause serious financial and social consequences to that community. This can be especially true during a city’s rebuilding phase when disinvestment of capital (especially of such a high-profile industry) can disproportionately arrest the momentum of that city’s revitalization scheme.

Dan Onorato, a Pittsburgh city councilman and a member of Pittsburgh’s Stadium Authority, made the distinction on the value a sports team has on a community between never having a team versus having one and losing it. He said the value of losing a team is more costly to a city than the price it costs to keep it (Mahtesian, 1998, p. 26). So when officials are faced with the tug-of-war politics between placating team owners to avoid disinvestment and quelling balloters’ fears of higher taxes, the dilemma to subsidize a new stadium or stadia is usually resolved at taxpayers’ expense.
In Cincinnati, the stadia subsidy issue appeared to be mostly about economics, not about stadia for its two professional sports teams. The concerns about losing its teams did not revolve around the actual loss of the entertainment value of the game itself and the personalities of its players, but it was about the loss of thousands of jobs from the area. Dave Phillips, CEO of DCI, estimated that the Cincinnati area would likely have suffered the loss of approximately 7,000 employees had the teams departed from the region (The Cincinnati Enquirer, Feb. 25, 1996, pp. B1, B5 by Michaud).

Not only was the scare tactic of job loss repeatedly used by sales tax proponents, but a plethora of alarmist angles to persuade the community into keeping its professional sports teams were staples in their arsenal. For example, Governor Voinovich predicted that had the taxpayers let the Bengals and Reds depart, the Cincinnati region would have lost part of its personality and its image would have been reduced to “minor league” status (The Cincinnati Enquirer, Mar. 14, 1996, pp. A1, A9 by Green).

Charles Mahtesian (1998) determined that many civic leaders believe in providing welfare in the form of stadium construction dollars for an existing team contemplating relocation because it will likely cost much more to attract another team in the future; that is, providing they would be granted an expansion franchise (p. 22).

When Cleveland lost its professional football team in 1995, the NFL promised it an expansion team by the 1999-2000 season. The Cleveland Browns, however, were a unique case. The tradition and history encompassing its storied franchise has gone unequaled. In the entire first half of the 1990’s, the Browns had a losing record; yet, the 70,000-seat stadium had been sold-out every one of those years. Not only did Cleveland fans show their support on the field (through attendance), but they also showed their fan
support off the field when Modell announced his intention to relocate to Baltimore. To keep their beloved team in town, the community voted for a tax on alcohol and cigarettes—a “sin” tax—to build a new stadium for the team. The referendum was voted on only days after Modell’s announcement (The Cincinnati Enquirer, Mar. 17, 1996, pp. A1, A4 by Green & Michaud). Passage of the “sin” tax was successful, but Modell nevertheless proceeded to abandon yet another city in the relocation game. Because of the Browns’ storied history and the undying support of its fans, the league felt it owed the community a second chance—a new football team preserved with the original uniform colors as well as preservation of its original “Browns” name.

On the other hand, the Cincinnati Bengals’ history is not as long (founded in 1968) nor as glorified as the Browns. Combined with its historically lackadaisical fan support, the NFL would not likely grant the small media market of Cincinnati an expansion team in the future; that is, cities can be ranked on the strength of viewing habits. As Michener (1976) presented the case:

At present two major measurements are used to determine the potential of a city. Area of Dominant Influence (ADI) allocates every county in the United States to that metropolitan area which dominates its viewing habits. Designated Market Area (DMA) assigns districts according to their viewing habits during prime time and is therefore a more sophisticated measure of advertising potential than the cruder geographic allocations of ADI….Tampa may rate only twenty-seventh in population, but rates in television potential ahead of such established markets as Cincinnati, Buffalo, Denver, New Orleans, and San Diego (pp. 305-307).

Michener’s insights probably confirm the assertion that, had the Bengals left Cincinnati, no new expansion team would have been granted to them at some point in the future. Local officials were quite cognizant of this fact, and it was somewhat obvious that a loss of the Bengals would probably have been the end of NFL football in Cincinnati (The Cincinnati Enquirer, Apr. 18, 1995, p. A1 by Green).
To further analyze why Cincinnati likely would not have received an expansion team in the future, we must look at the NFL’s criteria for approving a potential owner for locating an expansion franchise. For one, this encompasses a city’s DMA ranking in television viewership (as was stated above by Michener). To come up with the DMA, a city is ranked by the Nielsen Media Research Company® according to the number of television households that are within its geographic market. In 2000, there were 210 DMA’s in the U.S. Of the cities hosting an NFL franchise, Green Bay ranked the lowest (DMA # 69) while New York was tops in the ranking (DMA # 1). The number of households with television sets (TVHH) in Green Bay is approximately 392,000 whereas the New York metropolitan area TVHH is nearly 6,875,000. The higher a city is ranked in terms of its DMA, the more money a sports franchise within that DMA can command from media rights fees (this is because the media can reach a larger audience, and thus, attract more advertisers and higher fees). Cincinnati ranks quite low in both categories with respect to population size and DMA when compared to all of the major cities in the U.S. that would rank higher on the NFL’s “candidate” list when selecting an owner and a city for a newly-designated expansion team (or when approving the relocation of a franchise). In terms of its DMA, the city of Cincinnati was ranked 32 in the U.S. (ranking the Bengals 27 out of 31 teams in the NFL) with a TVHH of 820,000 (Broadcasting & Cable Yearbook, 2000). Therefore, because the potential advertising revenue in Cincinnati is not very high, the opportunities afforded them to regain NFL status are diminished.

The NFL’s criteria for approving a potential owner for locating an expansion franchise encompasses not only a city’s DMA ranking in television viewership, but also
its population size. With respect to population, the Bengals ranked #23 out of 30 (# 24 out of 31 with the addition of the Cleveland Browns in 1999) in market size when compared with all teams in the NFL (http://bengals.enquirer.com/1999/12/26/compare graphic.html by Byczkowski). With near-last rankings for the Bengals in relation to its host city’s population and DMA, this confirmed the likelihood of the NFL approving an expansion team in the city of Cincinnati in the future would be (and would have been) very suspect. From the viewpoint of the cartel (NFL), a new franchise in Cincinnati would not look that promising when it came to pulling its weight in the revenue-sharing agreements.

**Economic Impact of Stadia**

City and county officials told the general public that new stadia would generate additional businesses, increase jobs, and increase economic development in the region—notably in the proximity of the new stadia. But, as opponents argued, taxpayers were already paying for a stadium (Riverfront Stadium) that had produced very few benefits in its more than two decades of existence. [Contradictory arguments will be presented later in this section.] Downtown Cincinnati’s central and western riverfront, where Riverfront Stadium was located, was an unsightly area strewn with run-down buildings and industries that posed health hazards. It had not been a place full of economic prosperity.

Some businesses generate costs or benefits that spill over and affect those who are not direct consumers. Investments in sports facilities are proclaimed to have the potential for generating spillover effects (even when such claims have been proven to be suspect) [see Keating, 1999; Ozanian, 1993; Rosentraub, 1997]. In Cincinnati, a majority of voters
believed sports stadia were part of the answer to revitalize its downtown by spurring economic development. A few ways in which stadia are believed to spur economic growth include the generation of new jobs (low-paying, service-sector jobs, to be sure), relocation of new companies and employees to the area, and an increase in tourism.

Citizens for a Major League Future (CMLF), a Cincinnati grass-roots proponent of new stadia, released findings from a study (funded by a grant from Hamilton County) by the University of Cincinnati’s Center for Economic Education on the economic impact of new stadia. The study called, “The Effects of the Construction, Operation and Financing of New Sports Stadia on Cincinnati’s Economic Growth,” projected that $467 million of $520 million for stadium construction would be spent in the Cincinnati area (http://www.citybeat.com/archives/1996/issue216/news1.html by Firor & Fox). Local officials, who supported funding of new stadia on economic grounds, were convinced by the University of Cincinnati study on the economic impact of new stadia. It calculated that even outdated Riverfront Stadium had a $245 million impact on the Greater Cincinnati economy (The Cincinnati Enquirer, Feb. 29, 1996, pp. B1, B8 by Michaud).

The UC study also estimated that, once the stadia were built, their existence would profit the local economy with an additional $296 million in spending. They predicted that $115 million would be spent by the teams, $56 million by out-of-town tourists and visitors, and $125 million would come from indirect impact such as restaurants hiring additional employees during the baseball season as business increased (The Cincinnati Enquirer, Feb. 29, 1996, pp. B1, B8 by Michaud).

Several studies [Baade & Dye (1988, 1990), Rosentraub (1997), Rosentraub & Swindell (1998)] have found that a stadium, along with a professional sports franchise,
has a negligible impact on a region’s economy. Rosentraub, Swindell, Przybylski, and Mullins (1994) contributed to these findings when they examined Indianapolis’ redevelopment strategy in the 1980’s in which it deluged its downtown with amateur and professional sports associations and venues to incite economic development. Their research revealed that this sports infrastructure implantation produced “no significant or substantial shifts in economic development” (p. 236). Robert Baade, a sports economist from Lake Forest College in Illinois, agreed with Rosentraub et.al., (1994).

In a 1994 study, according to *The Cincinnati Enquirer*, Baade examined every city that had a major league sports team between 1958 and 1987. He found that each stadium’s effect on the regional economy was similar to that of a medium-sized department store (March 9, 1996, p. A4 by Green).

Baade and Dye (1988) confirmed this finding: “We conclude that measurable economic benefits to area residents are not large enough to justify stadium subsidies and that the debate must turn to immeasurable intangible benefits like fan identification and civic pride” (p. 37). In similar fashion, Charles Euchner, a political science professor and author of *Playing the Field: Why Sports Teams Move and Cities Fight to Keep Them*, added skepticism to the issue concerning the economic impact a stadium has on a city. He asserted that “[s]ports teams are not the economic boon proponents make them out to be” (*The Cincinnati Enquirer*, Nov. 26, 1993, p. A1 by Braykovich). He argued that studies touting the overall impact of stadium construction on a local economy, including job creation and the purported “multiplier effect”—how many times a dollar spent at a stadium turns up elsewhere in a local economy—are misleading. Some economists have suggested that for every dollar that is spent at a stadium, each dollar will be spent
elsewhere in the same local economy between eight and ten more times. However, Euchner doubted this high rate of turnover. He considers it to be more like once. His rationale is based on the idea that most of the money spent at a stadium goes to player paychecks. Because many players live outside the city or region, those dollars are spent elsewhere in other economies (The Cincinnati Enquirer, November 26, 1993, p. A1 by Braykovich).

Economists also refer to the “substitution effect” when considering the economic impact of an entity on its locale. With respect to a new stadium, the substitution effect occurs when money is spent for food in or near the stadium (i.e., stadium concessionaires or adjacent restaurants) as a result of the stadium (or event at the stadium) when the money was going to be spent for food anyway, taking business away from a different restaurant or eatery in another location. Rosentraub (1997) said this is merely a transfer of expenditures from one eatery (whether a grocery store or restaurant) to another in or near the stadium; thus, he contends that there is no increase in the economy or in spending levels (p. 151).

In relation to other activities, the substitution effect occurs when money is spent for an event at the stadium instead of some other form of entertainment, for example, a movie. Rosentraub (1997) maintains that one merely transfers money, in this case, from a movie theater owner to the stadium or team owner. Had the stadium (or team) not been there, money would have been spent anyway for some other form of entertainment. It is simply just a mix of owners competing for the same discretionary income of many consumers. Again, no economic gain is actually realized in the local economy (p. 154).
Of the arguments economists have made in regard to the positive and negative impacts that sports franchises (along with the stadium they play in) have on local economies, one economist, Irani (1997), observed the difficulty of accurately calculating their veritable impact. He said, “It is difficult to separate spending displaced by the stadium versus new spending induced by the stadium in determining the local economic impact of the stadium” (p. 240). In other words, unless we know that people are only spending their money for food, entertainment, or some other product or service that they wouldn’t have otherwise purchased as a direct or indirect result of the stadium, it is impossible to measure the economic impact a stadium has on its local economy.

Support by officials of the sales tax for stadia was presented to the public using the idea that the subsidy was not just in the interest of sports fans. Benefits were said to exist also for non-sports fans. As an example, a commercial was produced with Mayor Qualls saying that she was not a sports lover, but planned to vote for Issue 1 to re-inject millions of dollars into the local economy. However, she had not always been a proponent of the sales tax. She had originally been in the opposition because the county was not going to contribute what would have been lost revenue from the new stadia’s property tax abatement to Cincinnati Public Schools. The problem, as noted previously, was that Ohio law did not allow the transfer of county sales tax funds to go to local school districts. In June 1995, however, both the city and county agreed to pursue a change in this law (which was passed in July 1995 by an Ohio House Committee) to allow schools to receive revenue from the county sales tax fund, specifically from sports facilities, in lieu of property taxes. This paved the way for Qualls’ conversion to support Issue 1 because funding the schools had been a priority in her campaign for re-election.
This conversion may have been a major catalyst in changing the minds of others who initially were opposed to an increase in the sales tax on the grounds that the money could have been better spent.

**Job Creation**  
As Miller (1997) explained, with the addition of new stadia, an increase in the number of jobs in the Cincinnati locale is thought to decrease the area’s rate of unemployment, provide more individuals with discretionary income, and give the local government an increase in taxpayer dollars (p. 199). But as Thomas Chema (1996) revealed, the public’s return on its investment in stadia come not in the form of dollars, but in the form of additional jobs created in new restaurants, taverns, retail stores, hotels, etc., that spring up on the periphery of a stadium. He said that since the 1994 opening of Jacobs Field, Cleveland’s professional baseball park, 20 new restaurants had opened within two blocks of the stadium, and 900 additional employees had been hired (p. 20).

The proponent’s sales pitch was endorsed by the UC study. Leaders tried to persuade each other as well as the general public of the validity of the numbers the UC study revealed. Officials touted the stadia as future producers of approximately 6,800 permanent jobs once built. They also spoke of the additional temporary construction jobs the stadia would produce. Officials were going by the UC study that predicted 1,126 new jobs would be created and 5,757 existing jobs would be retained (The Cincinnati Enquirer, Feb. 29, 1996, pp. B1, B8 by Michaud). The study revealed that Riverfront Stadium has generated about 5,700 jobs each year. However, these positions are not just located at each stadium in occupations including concessionaires, front office personnel,
players, and management. This study included employment in other sectors of the economy such as in the hospitality, retail, service, and tourism industries.

Opponents of the increased sales tax did not argue with the idea that there would be an increase in the number of jobs due to the new stadia. They did, however, argue that the consequences of the increase would result in low-wage, service-sector, seasonal employment, which Chema (1996) said is typical of opponents on the sports facility investment issue. He brought a different angle to the low-wage, seasonal employment debate, arguing that:

Every community, particularly major urban centers, needs to have a diverse mixture of job types in their economy. Not everyone is a rocket scientist. Not everyone could become one even if there were such jobs available...Some members or potential members of the labor force need jobs as ushers, ticket takers, vendors, etc. These jobs are neither demeaning to their holders nor do they cause a city to gain "a comparative advantage in unskilled and seasonal labor." (p. 22)

This functionalist approach to the occupational hierarchy serves only to reproduce existing conditions of inequality. That is, the existing politics of distribution remain in tact. Thus, even if there were an increase in jobs, it would be in quantity—not quality—as the black community leaders were fully aware. African-American groups such as the Cincinnati Baptist Ministers Alliance, other Ministers Alliances, and the Black Political Caucus jointly opposed the stadium sales tax on these grounds. They expressed their disapproval of the tax by saying that “[the black community needs more than] a handful of seasonal, minimum-wage jobs hawking beer and hot dogs” (The Cincinnati Enquirer, Mar. 3, 1996, p. B1 by Wolff).

Conversely, there were many African-American groups that did support Issue 1. The Cincinnati chapter of the NAACP, the Greater Cincinnati Business Owners’
Association, and the Baptist Ministers’ Conference—originally in opposition—ultimately supported the stadia tax because Bedinghaus promised to hire local minority- [and women-] owned firms for stadium construction. He agreed to give 15% of the total contracts to groups owned by minorities [and women] (The Cincinnati Enquirer, Mar. 17, 1996, pp. A1, A4 by Green & Michaud). The deal was not binding and some black leaders did not believe the 15% figure would be realized; and it never was.

To appease the working class, Bedinghaus estimated that 80% of the stadia complex would be constructed by the region’s local union workers. County commissioners promised to employ thousands of local union members whether they supported or opposed the sales tax. But delegates of the AFL-CIO voted not to endorse Issue 1 because commissioners would not grant them a union-only contract. Some local Democrats, however, tried to persuade the AFL-CIO to drop their demand of a union-only contract because they were getting almost 80% of the local construction jobs without a contract. They claimed that voting not to endorse Issue 1 would do them more harm than good by costing them hundreds of jobs and millions of dollars (The Cincinnati Enquirer, Feb. 8, 1996, p. B1 by Green). In the end, neither the rights of recognition (the hiring of blacks and women) nor the rights of redistribution (social justice) were fully realized (see Bauman, 2001 for an analysis of such rights).

**Relocation of Companies & Employees**

There is the belief that a professional sports team may serve as a lure to attract employees and businesses or corporations to a particular locale. In this case, proponents sold this as a factor to enable public subsidization of their local professional sports stadia. Corporations have been known to settle their headquarters in cities with professional
sports teams. An article in *The Cincinnati Enquirer* cited an interview with Joe Kramer, Vice President of economic development at the Greater Cincinnati Chamber of Commerce. Kramer said, “It’s typical that when we’re near the end of negotiating a deal for a company to come here, one of the first things they ask about is season tickets” (Nov. 26, 1993, p. A3 by Braykovich). Kramer said the presence of a professional sports team is usually a factor in a company’s location-relocation decision and it could be the factor that ultimately decides the fate of its location. If another location in the running as a top prospect already has a professional sports team, it may come out on top in the community wars for an economic development tool such as a company’s headquarters.

However, Rosentraub (1997) contradicted these findings with the conviction that “businesses do not select an office or plant site because of the presence of a sports team...[which]...city and state leaders have...ignored or failed to realize” (p. 4). To reiterate, companies most probably are looking for what is called a favorable business climate (translation; tax abatements and publicly paid for infrastructures) and union-free low paid labor forces. The absence or presence of a sports franchise surely is not as important as profit margins. Where an amenity infrastructure that includes professional sports may play some part in company decisions is in the recruitment of executives. But, as Bauman (2001 observed:

> The present day patricians no longer need the services of the community; indeed, they cannot see what staying *in and with* the community could offer which they have not already secured for themselves or still hope to secure through their exploits, while they can think of quite a lot of assets which they might lose if they were to abide by the demands of communal solidarity. (p. 51)

When it comes to community, as Bauman argued, there is a trend towards the *secession* of the *successful*. Being in and with a community entails a messy intimacy. Thus, the
new elites are not defined by any locality; they are truly extraterritorial (Bauman, 2001, p. 54) and globalized. With this in mind, the presence of a sports franchise should only be seen as a perk and not a major factor in the recruitment process as is asserted below.

For many companies, professional sports are popular forums for entertaining clients and reaching deals. Their existence also instills the proud feeling of living and working in a “major league” city (especially when the team is successful in win-loss terms). Joe McCullough, president of Management Recruiters of Cincinnati, was fearful that if Cincinnati lost the Bengals, the news would make bigger headlines than the city’s 1993 ranking by *Places Rated Almanac* as the most livable city in the U.S. He said the loss of the city’s professional football team would make recruiting some employees to the region much more difficult (The Cincinnati Enquirer, Nov. 26, 1993, p. A3 by Braykovich).

**Citizens for a Major League Future**

To get Issue 1 passed, the Bengals’ legal adviser, W. Stuart Dornette, formed a pro-tax group called, “Citizens For A Major League Future” (CMLF). Formed in September 1996 to help the Bengals’ cause, CMLF was very active in its endorsement of the sales tax. Managed by Jeff Berding, it led a pro-tax campaign that involved attaining prominent spokespeople (such as Governor George Voinovich, who was named honorary co-chairman of CMLF), giving tours of run-down Riverfront Stadium for anyone to view its deplorable condition, and supporting a wide variety of other marketing strategies. In addition, it hired a public relations firm—HMS Partners of Columbus, Ohio—to
continuously poll until March 19 to assess the impact of the messages the pro-tax faction was conveying (*The Cincinnati Enquirer*, Jan. 22, 1996, pp. A1, A3 by Michaud).

Some might say CMLF’s campaign did not start until March 5, when a telemarketing poll conducted the night before revealed that support for Issue 1 was only 46%. Opposition was up to 44%. Of the 150 respondents of the Newhouse poll, 10% were on the fence (*The Cincinnati Enquirer*, Mar. 22, 1996, pp. A1, A12 by Green). With only about two weeks to go, CMLF took on a highly aggressive campaign by inundating the airwaves with commercials and celebrity spokesmen, and providing appearances by team figures to promote the sales tax.

Governor Voinovich was accused of using scare tactics to pass the tax. During the final two-week stretch, Voinovich reiterated his warning to Cincinnatians that if they did not vote for the tax, their city would fall to “minor league” status. The image tactic was a very popular strategy used by Voinovich throughout the year-long campaign.

Mike Brown then announced his $25 million to $35 million pledge and an agreement to sign a lease to keep his team in Cincinnati another 20 years. Local area business leaders followed in tow by promising to “work harder” to commit millions of dollars in the form of luxury seating and in-stadium advertising. On March 17, about three dozen past and present Bengals’ players and coaches united on the grounds of Cincinnati’s Bicentennial Commons at Sawyer Point. Players and coaches offered to sign autographs, take photos with fans, and give out souvenirs—all at no charge. To cap off the approximately $1 million pro-tax campaign (of which the Bengals contributed $300,000), last-minute telephone calls were conducted and approximately 10,000 yard
signs were displayed all around the county to sway voters their way (The Cincinnati Enquirer, Mar. 22, 1996, pp. A1, A12 by Green).

On March 19, 1996, after considering all of the arguments made for and against subsidization, the majority of the voting taxpayers in Cincinnati and Hamilton County passed Issue 1 in favor of constructing two new stadia for the Bengals and Reds. The taxpayers seemingly believed that the benefits of retaining these teams outweighed the costs. As Arlington, Texas Mayor Richard Greene, who pressed city residents in 1991 to approve a half-percent sales tax increase to help finance The Ballpark in Arlington for the Texas Rangers professional baseball club put it, “The key to all of it, though, is how much these teams, stadiums [sic] and their benefits—both tangible and intangible—mean to the community. On election day, only taxpayers can decide that” (The Cincinnati Enquirer, March 9, 1996, p. A4 by Green).

Post-Referendum Negotiations

Although voters in Cincinnati and Hamilton County overwhelmingly passed the March 1996 referendum in favor of two new stadia, it was only the beginning (or rather, continuation) of more waves of innumerable phases of controversies and misunderstandings between and among the city, county, and Bengals. Conflict swirled around every decision—major and minor—that was (or was to be) made by the city, county, and Bengals. Some of the decisions to be made following passage of the sales tax increase included the design and location of the stadium (stadia), parking, land transfer and acquisition, and non-sports development. For any of these decisions to be of value, however, at least one of the teams had to have a lease signed by June 1, 1997 or the sales tax would be rescinded.
Obstacles Preceding the New Lease Agreement

One of the very first controversies that plagued Mike Brown and the Bengals was one involving the location of the stadium. As mentioned in the previous chapter, the city and county were promoting an area of downtown, known as “Broadway Commons” (BC), that is located away from the Ohio River. Qualls asserted that “[i]t would be a tremendous boost to the redevelopment of Over-the-Rhine and Pendleton. It would create jobs. It would spur investment in real basic services, as well as housing” (The Cincinnati Enquirer, June 8, 1996, pp. A1, A6 by Michaud and Hobson). The city and county wanted one of the teams to locate there for the purpose of rejuvenating these downtrodden districts. The problem was that neither Mike Brown nor Marge Schott were eager to locate there. Rather, they were quite inimical to the suggestion. According to The Cincinnati Enquirer, campaign literature from the county sales tax referendum referred to construction of stadia for the Bengals and Reds on the riverfront. Bedinghaus argued to the contrary saying that, “The campaign was sold as developing and re-energizing the downtown area. Whether the sports stadiums [sic] are on the riverfront or other sites downtown, I don’t think that’s particularly relevant” (June 8, 1996, p. A6 by Michaud and Hobson).

Mike Brown was so miffed at the thought of locating somewhere other than the riverfront that he softly made threats of relocating the team, again, if officials continued to consider Broadway Commons as a potential option for his new stadium. Brown continued to put pressure on city and county officials to discontinue the Broadway Commons talks by holding a press conference announcing his desire to locate his stadium on the riverfront. He said he disliked the BC site because of its distance from easy
highway access, its limited parking, and the higher crime rate in the area. But because of shortcomings such as the high crime, the city and county felt a new stadium at the BC locale and a new stadium on the river could energize two neighborhoods instead of just one (The Cincinnati Enquirer, June 11, 1996, pp. A1, A4 by Michaud and Hobson).

To put the Broadway Commons site talks to rest, Mike Brown pulled out all of the stops. He hired Republican pollster Neil Newhouse to canvass Hamilton County voters as to their locational preference of the new Bengals’ stadium. Of 500 polled, 61% said that it was more important for both new stadia to be built on the riverfront. Following Brown’s release of the results of the 15-page poll, city and county officials’ promotion of the site for the Bengals waned (The Cincinnati Enquirer, June 14, 1996, pp. B1, B5 by Hobson and Wilkinson).

Thereafter, local sub-state officials and the Bengals wrestled with where on Riverfront West land to put the new Bengals’ stadium. The Bengals favored the eastern portion of Riverfront West because of its geographical proximity to downtown buildings where football parking could better serve downtown businesses; whereas the city and two of its agencies—the Riverfront Advisory Committee (RAC) and the City Planning Commission (CPC)—argued that the stadium should sit as far west as possible to open more of the riverfront to new development.

Because the city owned much of the land to the east, it had re-zoning authority and it would have had to authorize its traffic engineers to approve a re-routing of Pete Rose Way to fit a football stadium. The Bengals understood that it was a losing battle. They finally succumbed to the city’s wish and agreed to locate on the westernmost site
of Riverfront West. According to a statement made by Brown in *The Cincinnati Enquirer*, the reason he resigned to locate far west on Riverfront West land was because “we thought the community would be best served by that” (Feb. 14, 1997, p. A6 by Michaud).

Aside from locational decisions concerning where the Bengals’ new stadium would be erected, once the locale for the facility was determined, issues relating to the stadium’s design surfaced. These issues not only included the shape and size of the stadium, but also the selection of certain amenities that went along with its overall appearance, stirring up controversy along the way.

The city’s quest for downtown revitalization called for both stadia widely separated on the riverfront with other proposed development in-between. However, early designs of the new football stadium drawn up by the Bengals and county showed the stadium extending too far into an area (Elm Street) reserved for other development. The city did not take these drawings lightly because the extension would hinder construction of other development in-between the stadia, part of their “grand scheme” redevelopment plan. To show the county that they were not going to take this issue lightly, City Councilman Todd Portune threatened the county, in a statement in *The Cincinnati Enquirer* (electronic version), to “either work with us, or you don’t get the land” (http://bengals.enquirer.com 040297_bengstadium.html, para. 8 by May). The city owned a 12.5-acre tract of land that the county needed in order to build the Bengals’ new stadium. The specifications of the stadium set forth by the Bengals called for 67,000 seats; and to design the stadium so that it did not infringe on land other development would be built on required a creative strategy. In acknowledgment of the stadium’s size in relation to the
square footage allotted for the stadium, Commissioner Dowlin made the analogy that it was like “trying to put three pounds of something in a two-pound sack” (http://bengals.enquirer.com/040297_bengstadium.html, para. 19 by May).

Although NBBJ Sports & Entertainment was the firm selected to design the Bengals’ new stadium, Urban Design Associates (UDA) came up with a proposal to resolve the design problem. UDA suggested that Elm Street curve along the edge of the stadium, allowing other development to continue to be built. This solution was finally agreed to by the city (http://bengals.enquirer.com/042597_bengstadium.html by May).

On May 29, 1997, the Bengals and Hamilton County commissioners reached an agreement for a new lease to build a new stadium for the Bengals and to keep the team in Cincinnati until 2026. With a new lease signed before the June 1 deadline, the Bengals were on their way to a newly built stadium; however, they now had to overcome enormous obstacles due to drawn-out bickering between city and county officials subsequent to this newly signed lease agreement.

**Obstacles Following the New Lease Agreement**

As previously mentioned, the city had a plan (i.e., “grand scheme”) to revitalize the downtown riverfront. A crucial part to that scheme was the construction of parking garages with development such as restaurants and shops on top. Parking garages would also create additional lateral space to enable other such proposed projects as an Underground Railroad Freedom Center to be constructed.

In the Bengals’ new lease with the county, the city was concerned with the lack of specifics about the type of parking facility the county would build for 5,000 cars (the number of spaces agreed to in the lease). The city was concerned because if the county
had planned to build surface lots, there would not have been enough room to develop all of the projects the city had envisioned. County Administrator David Krings said, “We left it deliberately vague in the lease agreement to give us maximum flexibility” (http://bengals.enquirer.com:80/061497_bengstadium.html, para. 10 by Wilkinson).

Even of more concern to the city—after studying the Bengals’ new lease—was their interpretation that the county essentially gave the Bengals the right to develop the riverfront their way. Mayor Qualls claimed the county granted the Bengals “veto power” over all development along the riverfront between the Roebling Suspension Bridge and the Clay Wade Bailey Bridge, precisely where the grand scheme of development would be situated. Mayor Qualls prepared a letter for the county stating her concerns. In one of her statements, she wrote that it was “unprecedented and inappropriate to allow a private entity the rights granted by the lease” (http://bengals.enquirer.com/070497_bengstadium.html, para. 14 by May). She continued to argue that the stadium site the Bengals’ stadium would be built on was located on city-owned land, which would preclude the county from the right to lease that land. Qualls mentioned that this issue could void the lease. In response, Commissioner Bedinghaus proclaimed that these were “misunderstandings” and he denied that they gave veto power to the Bengals (http://bengals.enquirer.com/070497_bengstadium.html, para. 8 by May). The Bengals’ Troy Blackburn retorted that the team “desperately” wanted the riverfront to be developed, but in the same breath, conceded that the Bengals were looking out for their own interests by not wanting their views of the Ohio River and downtown structures from being blocked by future neighboring development (http://bengals.enquirer.com/070497_bengstadium.html by May).
One of the proposed structures the city had been promoting was a 3-D Theater of the Imagination, which, according to Bedinghaus, could be as high as nine stories tall (http://bengals.enquirer.com/070497_bengstadium.html by May). The county even acknowledged that it wanted to own all of the land between the Roebling Suspension Bridge and the area of Riverfront West (far west) butted up against the Clay Wade Bailey Bridge so that they could control other development in the area. The county’s lease had a specific provision dictating that no buildings taller than two stories would be built on that particular tract of real estate (The Cincinnati Enquirer, May 31, 1997, p. A1 by May).

In further defense of their actions, the county along with the Bengals attacked the city by claiming hypocrisy. They accused the city of giving the Bengals the same veto power over the riverfront in their agreement in 1994. The lease between the Bengals and the city contained this clause describing the veto power and the stadium site:

Landlord shall not make any substantial change to the improvements and structures existing on the stadium site as shown in the plans and specifications without tenant’s prior written consent...[for]...the area comprising approximately 48 acres of land, more or less, situated between Pete Rose Way and the Ohio River and Race Street and Broadway. (The Cincinnati Enquirer, July 9, 1997, p. A1 by May & Hobson)

Similarly, the Bengals’ lease with the county contained this clause:

County shall make no improvements to the stadium complex without obtaining the prior written consent of team, which may be withheld by team in its reasonable discretion. (The Cincinnati Enquirer, July 9, 1997, p. A1 by May & Hobson)

According to the city, the “stadium complex” was defined in the lease as encompassing the entire riverfront, thereby effectively giving the Bengals veto control over any projected development to be located there.
Parking Problems

In preparation of anticipated acquisition of the parking garages, which were so crucial to developmental aspects on the riverfront, the city approved revisions to its Year 2000 Plan to make way for a string of entertainment-type retail development on top of the garages. The proposed retail and entertainment district comprised of restaurants, sports-themed stores, and a park were needed to pay for at least $50 million in parking garages and infrastructure (such as roads) planned for a reconfiguration of Fort Washington Way (http://www.cincypost.com:80/news/river090697.html by Cliff Peale).

However, the county seemed set on building surface lots for what they termed a “temporary” time being. When this became apparent to city officials that the county planned to build temporary parking lots (i.e., surface parking), the city explicitly toyed with the idea of holding back the land the county needed for the Bengals’ stadium. This was done, Shirey proclaimed, to let the county know what the city’s leverage was. In return, Dowlin exclaimed that the county’s leverage was that they wouldn’t build (i.e., not fund) the stadium. The city was concerned that once the parking lots were paved, the impossibility of ridding the area of them would likely be a reality. Bedinghaus tried to calm their fears by stating that he would make way for the parking garages once the city and county had agreed on the structures themselves, their financing, and the development that would go on top of them (http://bengals.enquirer.com/092497_stadium.html by May).

An area of disagreement that held the county apprehensive about proceeding with their endorsement of constructing parking garages concerned the city’s specifications, which were going to cost the county more than they anticipated. The city wanted the
county to build a 2,900-space parking garage west of the Roebling Suspension Bridge and a 1,100-space garage east of the bridge for a total of 4,000 spaces. Estimated by the county to be approximately $16,000 per space, the cost to the county would be estimated at about $64 million (http://enquirer.com/editions/1997/12/24/loc_riverfront.html).

In an attempt to impel the county to build parking garages, the city offered to help in the financing by immolating a total of $20 million over 20 years. The city’s contributions would come from rents from developments built on top of the garages and from tax money committed to paying for infrastructure improvements. But the county was insulted by such a lowball offer. Further, Dowlin found it perplexing that the city was asking the county to build parking garages at such a high expense: “Why should we be doing that? We are not charged with developing the riverfront” (http://enquirer.com/editions/1997/12/24/loc_riverfront.html, para. 13 by May). Shirey replied that it made sense to build them because the county was obligated to provide the Bengals with 5,000 spaces to meet the parking requirements set forth in the lease. Dowlin, however, insisted that the county could probably meet its parking requirements with surface lots covering the entire riverfront for a much cheaper price—$3 million (http://enquirer.com/editions/1997/12/24/loc_riverfront.html). Aside from the parking dilemma, city and county officials found themselves in another predicament concerning the acquisition and transfer of stadium-site land.

**Land Acquisition & Transfer**

Since the signing of the new lease (and as early as the summer of 1993 before the first threats of relocation), city, county, and team officials had spun a web of contingency deals. Nearly every deal negotiated was dependent upon another entity fulfilling a
particular condition. For example, the county negotiated with landowners (such as the produce companies) to acquire their Riverfront West property before they secured the needed city-owned land where the football stadium would be built. Without the city’s land transferred to the county, the acquisitions would be for naught; and in addition to this, the city had to build facilities and negotiate with the owners of these companies to relocate them in Cincinnati (The Cincinnati Enquirer, May 31, 1997, p. A1 by May).

To hasten transfer of the city’s land, the county set a deadline of December 15, 1997 for the city to accomplish this task. The county threatened the city to transfer the land to them by that date or the county would nullify the stadium deal. This would likely have had a devastating affect on the city’s grand scheme of riverfront development. The deadline set by the county in which to acquire the city-owned land also served to facilitate construction of the stadium. This was of temporal importance because the lease with the Bengals stated that the county was required to pay the team $4 million for every game that opening day in the stadium was delayed (http://bengals.enquirer.com/092497_stadium.html by May).

Although the city’s land had not yet been transferred, Hamilton County went ahead with purchase of adjacent riverfront land needed for the stadium. The county came to terms with landowner and produce magnate, Bob Castellini (of the Castellini Family Trust), at a cost of $36.5 million for 24 acres. Consequently, without the city’s land, the county would have been stuck with the Castellini land. [The acquired land would have been too small to accommodate construction of the football stadium.] (http://enquirer.com/editions/1997/11/27/loc_stadium.html by Michaud).
Despite his membership as a county commissioner, John Dowlin was critically opposed to the Castellini deal. He quibbled that the county should have waited until the necessary land from the city had been transferred to their possession. Rhetorically, he implored, “What are we going to do with that property if we can’t come to an agreement with the city?” (http://enquirer.com/editions/1997/12/03/loc_riverfront.html, para. 16 by Goldberg & May). Dowlin contended that the city was obligated to transfer the property rights to the county. The city had promised to turn the land over to the county a couple of years before in a previously proposed city-county agreement, but Bedinghaus defended the city’s retraction by stating that it was impossible for the city to have foreseen the circumstances that had developed such as the new lease with the Bengals and the Fort Washington Way reconstruction project (http://enquirer.com/editions/1997/12/03/loc_riverfront.html by Goldberg & May).

**City-County Agreement**

With the deadline approaching to transfer the much-needed land to the county, City Manager John Shirey made a proposal to the county on how development of the central riverfront could move forward. The deal would turn city-owned land needed for the stadium over to the county in return for a list of requirements the county had to meet. The major conditions required for the county included amending their lease with the Bengals “to protect the city’s interests in developing the riverfront” and contributing $14 million towards the $120 million Fort Washington Way (FWW) highway reconfiguration project (http://enquirer.com/editions/1997/12/03/loc_riverfront.html, para. 7 by Goldberg & May). The city wanted the county to pay for the FWW reconstruction so that they could afford to pay for other infrastructure costs.
These back-and-forth demands resulting in unresolved riverfront development issues and, most importantly, the failure of the city to transfer its land to the county, wore thin on Mike Brown’s patience. He set a new deadline for the city and county to resolve their differences. He threatened to void the lease with the county and begin relocation talks with another city if the land the Bengals needed was not transferred to the county by January 31, 1998. The goal for the Bengals was to begin play in a new stadium at the start of the 2000 NFL season, and for every game the Bengals would have to delay playing in the new facility, the county (i.e., taxpayers) would have to pay late penalties to the Bengals. Brown did not want this additional financial burden on the taxpayers to weigh back on him, so he became especially aggressive in resolving this conflict (http://bengals.enquirer.com/1998/01/010198_stadium.html by May).

According to Shirey, the deadline Brown had set for the city to transfer land to the county was not a valid reason to invalidate the lease. Brown had the ability to void the lease, but, Shirey argued, only if he and the Bengals didn’t approve a “guaranteed maximum price” (GMP) from the county by January 31. County commissioners and Bengals’ officials insisted that the stadium’s construction manager wouldn’t give a GMP until it became clear when the land would be available. Shirey retorted that he had “been told that’s a bunch of bunk.” Dowlin responded, “Well, what…does he know?” (http://bengals.enquirer.com/1998/01/17/loc_stadium.html, paras. 5, 6 by May).

In order to make progress on the situation, Shirey composed a 15-page proposal called the “Agreement for the Redevelopment of the Central Riverfront” and gave a copy to the county. The “Agreement” specified details about how the riverfront could be developed. As with all previous efforts in reaching agreements, there was controversy
from the get-go. County officials were reeling when they heard that Shirey had announced to city council members that the commissioners had acceded to the Agreement, details and all. Bedinghaus stated that the Agreement was “unacceptable to the county” (http://bengals.enquirer.com/1998/01/012398_stadium2.html, para. 7 by May). However, Shirey justified breaking the news about the agreement because County Commissioner Tom Neyer, Jr., who Shirey had been negotiating with, agreed with the proposal. Said Shirey, “If Tom Neyer is not the one I should be talking to, they need to tell me that.” Bedinghaus responded: “If that’s what (Mr. Shirey) is saying, then it’s obvious negotiations between the city and county have broken down” (http://bengals.enquirer.com/1998/01/012398_stadium.html, paras. 5, 6 by May & Wilkinson).

Misunderstandings between the city and county were inevitable because some city council members did not want to negotiate with the county. This led to accusations that the city delayed the stadium project. More finger-pointing ensued as the city blamed the Bengals, instead, for delaying the stadium project by intervening in negotiations. Such chastisement can be illustrated from the following occurrence.

When city council members Todd Portune and Jeanette Cissell were eager to proceed with negotiations and invite representatives from the county and Bengals for a session, Mayor Qualls and City Councilman Dwight Tillery, according to The Cincinnati Enquirer (electronic version), called such a meeting an embarrassment to the city (http://bengals.enquirer.com/1998/01/012398_stadium2.html, para. 19 by May). Despite their colleagues’ stand, Portune and Cissell met with the county to discuss and understand the county’s aversion with Shirey’s proposal. As would be expected, that meeting did not bode well with Qualls and Tillery. They attacked them for their unprofessionalism,
saying it was Shirey’s job as city manager to represent the city in the negotiations. Disparaging remarks were uttered by both sides. In Portune and Cissell’s defense, Bedinghaus rhetorically petitioned, “What are they supposed to do? Just sit over there like potted plants and wait for things to get spoon-fed them?” (http://bengals.enquirer.com/1998/01/012498_stadium.html, para. 5 by May).

To illustrate just how jaded residents had become with the wranglings of their elected officials, Charlie Seipel, a Bengals’ season-ticket holder commented, “It sounds like a bunch of children fighting in a sandbox” (http://enquirer.com/editions/1998/01/04/loc_stadium04.html, para. 5 by May).

With negotiations at an impasse, the January 31 deadline approaching, and tentative deals already struck with a railroad and several produce vendors who were leasing city-owned land, county commissioners appealed to the city to transfer approximately 12.5 acres of land the county needed to build the new stadium for the Bengals. The county’s request included a provision in which they would work out the details of a riverfront development agreement at a later date. But Shirey was not warm to that approach. He realized from past negotiations and agreements with the Bengals and the city that no stone should go unturned to avoid any problems that could arise in the future (http://bengals.enquirer.com/1998/01/012498_stadium.html, paras. 1, 3 by May).

Disagreements between the city and county on riverfront development issues delayed transfer of the city-owned land so closely to the deadline date that even NFL Commissioner Paul Tagliabue articulated the league’s anticipation of getting involved in efforts to hasten the transfer (http://bengals.enquirer.com/1998/01/012498_tagliabue.html by Chris Haft).
In a counter-proposal to the city for a riverfront development agreement, county officials wanted the city to 1) return county contributions toward the Fort Washington Way renovation in the event the project was not completed by 2000, 2) allow the Bengals to make riverfront development decisions (i.e., let them continue to assert their “veto power”), and 3) eliminate any input in future amendments the city may have concerning the county’s lease with the Bengals. The issues in this proposal essentially took negotiations back to square one. The city argued that most of the county’s issues on the table were about control; the primary reason the city withheld transferring its land to the county. The city was uncomfortable with the idea of the Bengals having veto power (or the ability to control riverfront development decisions). It was the city’s responsibility, they believed, to decide how the riverfront should be shaped. As City Councilman Phil Heimlich stated in *The Cincinnati Enquirer* (electronic version), “we just can’t give (the Bengals) veto power over whatever happens on our front doorstep” (http://bengals.enquirer.com/1998/01/012798_stadium.html, para. 18 by May & Hobson). In their defense, County Commission President Bob Bedinghaus said the county just wanted “flexibility” in the event certain circumstances arose, such as the possibility that the county would need riverfront land to assist the Reds in reconstructing Cinergy Field.

The city and county reached a tentative deal just one day before the deadline set by Mike Brown. In that deal, the county agreed to contribute $10 million toward the reconfiguration of Fort Washington Way, share the cost of a new flood wall for a contribution of $14 million, and build parking garages for a total of 5,000 spaces within a three-year period. Also, as part of the deal, the Bengals’ lease would be amended so that the team didn’t control riverfront development decisions; however, they would retain a
right to a “say” in the city-county agreement as a third-party beneficiary. In return, the city agreed to transfer its land so that the county could begin to build the Bengals’ new football stadium.

Not voting for the county was Commissioner Dowlin. He encouraged the county to reject the deal because he was still seething from the city’s withholding transfer of the land when the city had apparently offered the land a couple of years prior with no strings attached. Dowlin’s animosity was evident following statements he made. In response to the city’s unwillingness to transfer the land it had earlier promised to the county, he declared that “[t]he city is not living up to its agreement and that is not ethical” (http://bengals.enquirer.com/1998/01/013198_stadium.html, para. 34 by Lucy May, Laura Goldberg, & Geoff Hobson).

After a tentative deal was reached, the next day the county proposed more than 300 changes to the agreement—mostly concerning precise legal language. While most of the issues brought up were minor such as punctuation errors, others were considered major such as riverfront development and parking issues. The problems were, however, hammered out through a long and arduous process that lasted throughout the day. On January 31, 1998, just before midnight, county commissioners approved a lease amendment with the Bengals and a redevelopment agreement with the city. With county commissioners’ signatures in hand, city council unanimously approved to transfer its land to the county at about 1:15 a.m. on February 1, 1998 (http://bengals.enquirer.com/1998/02/020198_stadium.html by Goldberg, Hobson, & May).

As to the feelings conjured up throughout the stadium negotiations process endured by the city, county, and Bengals over the previous five years, City Manager John
Shirey said, “I’m sure it was easier for the Founding Fathers to put together a document creating the nation.” Said City Councilman Tyrone Yates, “This is the silliest thing—being dangled on a string by a football team” (http://bengals.enquirer.com/1998/02/020198_stadium.html, paras. 29, 40 by Goldberg, Hobson, & May).

**Stadium/Stadia Cost**

The issue of cost overruns concerning the Bengals’ new stadium was another area of controversy in the stadium debate that angered many Cincinnati and Hamilton County residents. Initial estimates for the Bengals’ new stadium had been assessed haphazardly as the cost of the stadium continued to elevate throughout stadia construction talks. When original estimates were announced to the public, consultants overlooked many of the factors that should have been included.


Shortly following the vote, taxpayers got wind of the fact that local officials had drastically underestimated the cost of the stadia, specifically the football stadium. What would be the new Paul Brown Stadium had been estimated to cost approximately $270 million, but officials and contractors omitted (whether purposely or not) a number of
factors that substantially affected the amount. Among the elements excluded were issues pertaining to stadium location, land acquisition, design, demolition, union wages, parking, flood protection, practice fields, interest, inflation, and other infrastructure costs.

In terms of location, Mike Brown originally had his sights set on the eastern portion of Riverfront West next to what was then Cinergy Field. But because local officials designated that portion of the riverfront to park space, neither team would get their preferred choice. Brown’s second choice was to be located on land already owned by the county at the central portion of Riverfront West. The city had other plans. They did not want the stadia to be side-by-side, which is what would have occurred had the Bengals located there. Instead, the city’s “grand scheme” of riverfront development to separate new stadia with other development in-between meant the Bengals’ location would be shifted to the far western segment of Riverfront West. Because this move required the county to purchase real estate from private landowners, it added $60 million to $70 million to the cost of the stadium.

To avoid replicating the design mistake that was made when Riverfront Stadium was built, public officials hired an architect to design a stadium that would be unlike any other stadium that had ever been constructed. The architectural firm, NBBJ Sports, was selected to design the new football stadium specifically because they had never designed an NFL stadium before. This ensured local officials, for the most part, that the design of the stadium would be so unique as to set the city of Cincinnati apart from any other city. They anticipated a creative design that would arrange approximately 70% of all seats along the sidelines. Because new blueprints had to be drawn up and in such a creative manner, designing the stadium added a significant cost to the stadium.
Additional items not factored into consultants’ original estimates for the construction of Paul Brown Stadium included demolition and inflationary costs. In order for the new stadium to be constructed, structures of the previous landowners (e.g., Flanagan’s Landing, Spaghetti Factory, Castellini Produce Company) had to be demolished, removed, and the land cleared. In addition to these time-consuming tasks, planning for the new design of the stadium had to be drawn up, which usually takes about a year and a half. With construction delayed this long, estimates must figure in inflation for the costs of raw materials and labor. Hence, this led to higher costs for the resources to build the stadium, including the cost of labor.

Consultants also omitted from their estimates the cost of the prevailing wage, a union wage that is considerably higher than non-union rates. Cincinnati and Hamilton County residents had to pay an additional cost to construction crews to offset the disadvantage of not having a 12-month construction season due to the inclement weather experienced in the north (The Cincinnati Enquirer, May 29, 1997, p. A1 by May & Hobson). When the county came to terms with the Bengals in their lease, they agreed to provide parking for 5,000 vehicles. They envisioned paving the riverfront with the cheapest form of parking: surface lots. The city, however, was appalled at the notion that the county would destroy the city’s riverfront development vision comprised of parking garages with development on top of them. The county was tempted to spend just over $3 million for surface parking to satisfy the requirements set forth in their lease; but were coerced into spending approximately $64 million for parking garages because the city held land the county needed to build the stadium.
Due to its location on the Ohio River, Paul Brown Stadium required a flood wall to protect it from possible flooding in the future. This was another piece of the puzzle that was missing from officials’ and consultants’ cost analysis. Also, three practice fields were successfully negotiated and acquired on the county’s tab. They totaled an additional $10 million that was added to the cost of the consultants’ original calculations (http://bengals.enquirer.com/053097_bengstadium.html by May & Hobson).

In November 1997, because of the factors omitted from officials’ and consultants’ original estimates, the price of Paul Brown Stadium had risen to $400.3 million (http://www.enquirer.com/editions/1997/11/27/loc_stadium.html by Michaud). By kickoff of the first game ever played in Paul Brown Stadium on August 19, 2000, cost overruns for the project had climbed to over $46 million, bringing the cost of the football stadium to over $446 million (http://bengals.enquirer.com/2000/08/19/bengals_lease_ pretty.html by Byczkowski).

For the icing on the cake, interest accrual over the 26-year life of the loan on the stadia bonds may almost double the cost of the stadia. It has been estimated that when both stadia are completely paid off, the cost will enter the $1 billion range. This means that close to $500 million will be due to interest charges on the bonds. According to The Kentucky Post, taxpayers will pay $1.469 billion in principal and interest for the cost of both stadia by the time Hamilton County retires the bonds in December 2032. “This isn't the national debt you're confusing it with, is it?’’ cracked Jim Urling, chairman of the Coalition Opposed to Additional Spending and Taxes (COAST), a group that has criticized the upsurging costs of Cincinnati’s two new stadia. "We said it was a bad deal, and the numbers support that” (Nov. 2, 2000 by Mike Rutledge).
Besides COAST, there was another group concerned with the spiraling costs of the new stadia. Citizens for Major League Sanity (CMLS), led by Tim Hershner, sought to put a $544 million cap on the amount the public would pay for both stadia to “promote responsible use of public funds” (http://enquirer.com/editions/1997/12/05/loc_petitions05.html, para. 6 by John Hopkins). This effort has gone unrealized considering that the Bengals’ new stadium alone, including other factors mentioned above, has cost taxpayers a final dollar figure of $455.8 million and the Reds’ new Great American Ballpark has been estimated to cost at least $280 million (http://www.cincypost.com/2003/02/26/stad022603.html by Kevin Osborne).

After continually being chastised for the rising costs of the football stadium, Mike Brown aimed to disquiet his detractors. In an effort to exonerate himself and his team of any fault, Brown had information disseminated to the public that showed that the cost of Paul Brown Stadium was comparable to other NFL stadia in other communities. He pointed to such items as parking garages, increased land acquisition, inflation, infrastructure (such as the cost of moving utility lines on the stadium site and road construction), among other factors as reasons for the increased costs of the facility. “The price of the stadium has essentially stayed the same. This (the higher stadium price) is a product of riverfront development, not just the stadium,” defended Brown (http://enquirer.com/editions/1997/12/05/loc_petitions05.html, para. 5 by John Hopkins).

Ultimately, when all was said and done, the commissioners of Hamilton County permitted a combination of honest confusion and deliberate distortion to get their wish of two new stadia at the expense of taxpayers.
SUMMARY & CONCLUSIONS

Threats issued by millionaire sports team owners to relocate their franchises to other cities in return for new stadia have hung over host communities like a dark cloud in recent years. This process of corporate blackmail has become standard practice, spreading like a rash of the bubonic plague since the beginning of the 1980’s. In Cincinnati, this practice was engaged in by Cincinnati’s professional football and baseball franchises. Voter approval in March 1996 to finance two new stadia for the Cincinnati Bengals’ NFL franchise and the Cincinnati Reds’ MLB franchise verified the practice as if it were either a discursive or a regime of truth.

Using a well-worn line, Mike Brown’s calculations in 1993 led him to the conclusion that if the Bengals did not receive a new stadium, he would not be able to put a competitive team on the field. In the 1990’s, a positive correlation existed between the dollar amount the Bengals spent on player salaries and the number of wins/losses accumulated by the team. The Bengals had the second-lowest payroll during that time, losing more games than any other NFL team during that same period with an NFL-worst 52 wins and 106 losses [.329 winning percentage] (http://bengals.enquirer.com/2000/08/19/ben_bengals_lease_pretty.html, para. 8 by Byczkowski). In 2000, Brown saw the completion of his new stadium; but the team has remained the worst team in the NFL. In its first three seasons (i.e., 2000, 2001, and 2002) in their new stadium, the Bengals have accumulated a win-loss record of 12-36 (4-12, 6-10, and 2-14, respectively)—a .333 “winning” percentage. Little wonder that Portune was importuned and sought redress under the “norms of reciprocity” outlined by Howell (1984).
Even with a new stadium to boost up revenues for teams to help the cause in landing top talent, there is not much of an advantage to be gained anymore since nearly every team has a new, football-only stadium with all of the non revenue-sharing perks. For those without, they are just trying to catch up with the proverbial “Joneses” by constructing new stadia that will maximize their revenue production both from the surplus values (profits) produced by athletes on the field and by the reappraisal of a franchise’s worth. Considering that Jerry Jones, owner of the Dallas Cowboys, was largely responsible for the stadium construction explosion in the 1990’s, “catching up with the Joneses” is an appropriate phrase. He pioneered efforts in using the stadium as a marketing tool and renovated his stadium to include over 200 luxury suites—the most in the NFL. In 1995, Jones signed a deal with Nike for $20 million to display the shoe company’s logo in Texas Stadium (Fisher & Ozanian, 1999). As all teams will eventually catch up with the Joneses in the non-revenue sharing domain, they will make relatively the same amount of revenue to spend on players, creating a competitive league of teams on the field; that is, until another creative way for owners to make revenue that is not shared with all other teams is crafted.

In all of this, the fundamental point is generally ignored—it is the labor power of athletes that generates the revenues. Presumably, the team with the better labor power will win. A league can create policies that can equalize the talent of the respective franchises on the field whether this be through revenue sharing or salary caps, but the league cannot force an owner of a member firm to spend the surplus values on player salaries. Owners can choose to lose and still make profits; it is in this respect that the owners of franchises may be businessmen first and sportsmen second. Whether Mike
Brown is embarrassed by his team’s lackluster performances is something only he could confess, but one thing is almost certain: He is “laughing all the way to the bank!”

Although teams are garnering additional revenues from new stadia, they are spending more income towards player salaries due to the salary-cap-structured Collective Bargaining Agreement (CBA) from 1993 and the extended CBA signed in 1998. These CBA’s state that for all years that there is a salary cap, each team must have a minimum team salary determined by a complex formula devised by the NFL [54% of Projected Defined Gross Revenues (DGR) minus Projected League-wide benefits divided by the number of NFL teams (31)]. Each team must have a total salary above this formulated amount at the end of each season otherwise, it must pay the difference directly to the players who were on its roster during the season. To insist on a previously made point, the salary cap formula only requires that a team must have a minimum team salary. It does not require that the owners spend any more than this on aggregate player salaries. Therefore, rules that are designed to preserve joint-profit maximization for member firms achieve this result. They do not require owners to engage in a utility-maximizing scheme in which those who spend more and contend more are rewarded for their efforts or their willingness to sacrifice personal financial gains for the cause of winning. The long-suffering fanatics may remain throughout all of the trials and tribulations, but this is a consumerist marketplace and those who find the event less than entertaining do have the option of refraining from its purchase.

This is in line with the theory that the more money you make, the more you spend. So the more that taxpayers are spending for each new stadium (or stadia) in their community, the more team owners are purportedly spending on player salaries. From the
owners’ perspectives, this becomes a perpetually vicious cycle as players will always want more money, owners will always need more money to pay the higher salaries, and taxpayers will always have to supply more money to pay for new stadia that become the new form of revenue production to earn owners a bigger “chunk of the pie” to pay the players their higher salaries. I hope that I have shed some light (deconstructed, if you will) on this façade. In the NFL, the incentive to win depends on the owner’s willingness to win. All things being equal, owners can choose to follow the norms of reciprocity or they can choose to aggrandize their personal portfolios.

It is no secret that professional sports franchises are entertainment entities primarily out to make a profit. The cat is out of the bag. Since the 1960’s, when capital/labor relations began to be reconstructed through more liberal forms of free agency and with the influx of athlete agents who seek out the best deals for their athlete clients (not to mention themselves), we have been privy to all of the management-labor strikes in which the majority—if not all—of the sit-outs and close-outs have involved financial matters. These strikes have hurt some professional sports leagues by way of “fan disconnect”—when those who were once loyal followers or supporters of a professional sports franchise (i.e., football, baseball, basketball, etc.) have discontinued their support (financial and/or spiritual) by refusing to attend, watch on TV, and/or listen on the radio to any games in that sports league (whether the length of discontinued support is short-term or long-term). This form of consequence can hit professional sports leagues in the wallet where it can hurt the most.

Much has been made of this “fan disconnect” and one would have to look at attendance records to refute it. To try to avoid such consequences and maintain a loyal
fan-base, sport leagues portray themselves as performing a service to the community as opposed to simply being profit-seekers. They present themselves as being in the public good. One way they present this false sense of commitment is that sports teams inherit the name of the city (or state) they proclaim as their “home.” They will often create a team’s nickname according to what the city (or state) is known for to give residents the feeling that it is “their” team. This may plant into residents’ subconscious the feeling of obligation to support “one of their own.”

Sports teams also present themselves as being a service to the community through the media. Local daily newscasts on television and radio have major time-slots reserved specifically for the announcement of sports scores and news; and newspapers also have a major section dedicated to providing sports news and information to the public.

According to Jeremy Howell (1984), the relationship that exists between a sports franchise and its host community in which the franchise portrays itself as a public service is termed the “norms of reciprocity” theory. In the case of the Cincinnati Bengals, they were guilty of violations on at least two accounts. First, they had a losing record over a four-year stretch after playing in the championship game of the 1989 Super Bowl and second, in 1993, they threatened to relocate to another city if the city of Cincinnati did not provide them with a new, football-only facility. Their violations of the “norms of reciprocity” left the community wondering about its identity. This came at a time when the city was already going through an urban crisis in terms of its image, identity, and economic state. The entire community, including local government officials and other factions of the dominant classes, was split morally and financially on the issue of whether to fund new stadia for the Bengals and Reds. Financially, the public had to decide
whether it was worth investing millions in a new football stadium for the Bengals (and a 
new stadium for the Reds) for the purpose of attracting tourists and residents downtown 
to increase spending during their time spent after business hours. City and county 
officials tried to persuade the public that new stadia would spur economic development in 
the downtown region. Morally, the public had to decide whether they should spend public 
tax dollars for the financial enrichment of private enterprises.

Mike Brown wanted a new stadium to enrich his pockets with a bigger budget 
purportedly to afford top talent to compete on the field with other top NFL teams. In 
terms of its strategy, the city needed an injection of public capital investment to spawn 
more investment from private sources to rejuvenate the downtown area. To do this, 
taxpayer dollars were needed to jumpstart the process.

Brown’s threats led to the construction of a new stadium for his franchise in the 
Fall of 2000. Timeliness and a variety of circumstances contributed to his successful 
ploy. A couple of factors that contributed to the resolution of his stadium dilemma was 
the NFL’s limitation of the number of teams that exist in the league along with the fact 
that there are more cities longing for an NFL franchise than there are franchises available. 
This limitation, coupled with the popularity of the league in which demand exceeds 
supply, gives NFL teams leverage to negotiate for new stadia and lucrative lease deals.

Because demand exceeded supply, Cincinnatians were warned that if they did not 
approve the county sales tax increase to fund new stadia and retain the Bengals, the 
likelihood of Cincinnati being awarded another NFL team in the future would have been 
extremely low and more costly. With Cincinnati’s low rankings in population and DMA 
compared to other major cities in the U.S., Cincinnati and Hamilton County residents
were persuaded that it was in their best interest in the present and in the future, to approve the 0.5% sales tax referendum to retain the teams they already supported.

Another circumstance that worked in the Bengals’ favor occurred due to the local sub-state government officials’ philosophy in the capital accumulation concept for economic development. Their logic consists of providing incentives to businesses, corporations, and organizations with the objective of acquiring or retaining their services to assist in the growth and development of the community’s economy. The Bengals, being a high-profile corporation, were prime candidates for this “welfare” assistance.

In terms of auspicious timing, the Bengals’ Mike Brown couldn’t have timed his relocation threats any better. The city had urban consultants in the Summer of 1993 analyze and suggest ways for the city of Cincinnati to rejuvenate its economically declining downtown and improve its image and identity. Feedback from residents and consultants produced results that portrayed Cincinnati’s image as “dull” with no fun and excitement to balance the central business district’s work mentality. For this reason, the more affluent young and business employees were not spending much time and money downtown after business hours.

The city had endured heavy losses of major department stores and other businesses from the downtown region since the middle of the 1980’s. These losses monetarily (in the form of property and retail tax dollars) affected the city’s ability to support city services. This has always been claimed, but how much the loss was relative to tax abatements provided has not been explained. Cities such as Cincinnati, known as “Rustbelt” cities, suffered economically in the 1950’s during the post-war recessions of industrial America. Middle- to upper-class citizens departed the central city for the safer
and cleaner confines of the suburban district, leaving a high proportion of low-income residents downtown to pay the bill for city services. This left a low base of taxes from which the city could collect. Should this trend have continued, the city could not function and would, thus, collapse. Again, the tax abatements offered to existing corporate, financial, and retail capital should have factored into the arguments but they were not presented. Where “suffering” was concerned, it seemed that it was the retail and service sectors who perhaps complained the most; but it was the urban poor who suffered in reality. It was (and is) a two-fold hit—low wages/welfare and the continued impoverishment of their environments. Pro-growth strategies remain incredibly selective.

To spur economic growth by increasing more patronage to the downtown core and changing its dull image, urban consultants recommended Cincinnati concentrate on the theme of families for its redevelopment blueprint. They wanted to develop a places composed of family-type fun and entertainment. This consisted of constructing venues such as stadia, a 3D movie theater, and parks. Urban consultants were in favor of creating a place where people live, work, and play—the direction many downtowns are heading back to when downtowns 60 years ago were once the hub of life rather than the hub of work. Efforts to make this change are currently being made. The nebulous concept of family and the types of families to be the beneficiaries of the rehabilitation schemes was never elaborated upon. But one can certainly guess—almost all of the recent urban redevelopment schemes have the agenda of bringing back the white middle class.

Because the Reds’ new stadium proposal along with other non-sports incentives were on the same March 19 referendum as the Bengals’ new proposed stadium, there was a question as to whether the Bengals would have been approved a new stadium without
these other incentives. Many in the Cincinnati community felt that the Reds’ stadium proposal on the same referendum is what passed the stadium proposal for the Bengals, showing once again that good timing and positive situational circumstances were major forces in the Bengals getting their new stadium.

The economic arrangements of sports leagues and the logic of capital accumulation that cities undertake are largely responsible for franchise relocation in the sports industry. The NFL has experienced most of the team transfers in recent decades. The economic arrangements encompass all of the aspects involved by sports leagues in gaining additional advantages in profit-making. Through monopolization and cartelization, the NFL has limited the number of franchises in the league. The artificial limitation on the supply of teams in the league, and the popularity of the league has prompted such a demand for expansion franchises that there are not enough teams available for cities that want to obtain one. The owners’ argument here is that expansion dilutes the talent pool and, thus, the excitement at the event. [Another read would be that expansion would result in lower profit margins for each team because more of the revenue would have to be shared.] The limitation mentioned has led cities without an NFL franchise to lure an existing franchise away from its host community by offering incentives to the potential relocating franchise. Incentives usually include a new stadium and a lucrative lease deal offering the sports franchise most or all of the revenues from the stadium.

Franchise relocation is not a new phenomenon. It has been around since the formative years of the NFL dating back to the 1920’s and 1930’s. To aid in the prevention of teams relocating, the NFL limited the number of teams in its league. The
limited number of teams could then apply to the league to relocate if it was for the good and with the interests of the league in mind. Rule 4.3 of the NFL Constitution was its designation. It prohibits a franchise from participating in the relocation process without approval from a majority, or three-fourths, of the owners. A franchise needs approval from NFL owners only during the occurrence of what Ingham et al. (1987) called a “between-monopoly” market relocation—a relocation beyond a 75-mile radius of a team’s home city center.

Not since Al Davis’ Oakland Raiders franchise was challenged by the NFL in 1980 concerning a “between-monopoly” market relocation to Los Angeles (which the NFL lost) has the NFL challenged another move. Davis’ victory opened the floodgates that led to a plethora of moves by other NFL franchises such as the Los Angeles Rams to Anaheim in 1985 and to St. Louis in 1995, the Cleveland Browns to Baltimore in 1995, and the Houston Oilers to Memphis in 1996.

NFL franchises share most revenue streams with each other. These are evenly distributed to create a financial and competitive league of teams. The biggest revenue stream that is shared equally among all teams in the NFL consists of national television rights. Over $17.6 billion dollars in television contracts were signed by the NFL in 1997 giving each team hundreds of millions of dollars to spend on player salaries. Coupled with the 1993 free agency ruling in the NFL, this situation drove player salaries to new heights. To afford (or continue to afford) top players to gain an advantage over other teams in an effort towards reaching the Super Bowl, new, non-shared revenue streams were needed.
One such non-shared revenue stream that changed the economic environment in sports was the luxury box—seating that consists of a room much like a hotel with movie theater-type seats from which to view the game. These have a cost ranging from about $50,000 to $250,000 each per season. The Cincinnati Bengals only had 20 luxury boxes while at Riverfront Stadium from which they did not receive any of the revenue from them. They wanted the NFL average of approximately 100 luxury boxes, demanding that a new stadium be built.

Personal Seat Licenses (PSL’s) are another form of revenue that has changed the economic environment of the NFL. They give licensees the right to buy season tickets in which they have the ability to sell their license to whomever they wish if so desired. They have been a major financial contributor to the cause of constructing new stadia by adding between $500 and $4,000 per season ticket purchased to the pocketbooks of sports team owners or sub-state governments charged with financing a stadium. Under fire for not contributing to their own cause, the Bengals reluctantly contributed over $25 million towards construction of Paul Brown Stadium simply by raising PSL revenue. Through careful analysis of such a revenue stream, even this is not technically private dollars; it is money donated directly by public taxpayers who are not purchasing a product or a service from the Bengals, just an opportunity to purchase a product or service.

These new, non-shared revenue streams—along with local media revenues—have created a financial disparity among the NFL teams, allegedly leading to a disparity of competition on the field. With these new revenue streams and local governments’ acceptance to seek additional tax-hikes for the construction of stadia, team owners see a chance to improve their economic condition to afford top players to improve their team’s
on-field competitiveness, not to mention to add value to the existing worth of the franchise and, thereby, stock-pile their bank accounts should they decide to sell.

But the stadium was more than just what Mike Brown wanted, it was what the city wanted too. It wanted a new stadium just as much to facilitate economic development. City/county leaders and boosters felt a new stadium would increase investment in other development projects, thereby increasing tourism and residential traffic to the downtown area; the objective being for them to spend money and increase tax revenue for the city. The city wanted public taxpayers to invest in downtown amenities to spur investment from private investors for its urban rejuvenation. This is the logic cities often undertake to accumulate capital. They also engage in urban politics—compete with other cities for capital accumulation—by offering incentives to attract businesses to locate or relocate to their respective region. In Cincinnati, county officials provided subsidies in the form of two new stadia for its professional football and baseball franchises. The incentives staved off competing cities’ (such as Baltimore) offers to lure the Bengals away from their host community and it kept both teams in town. Intangibly, city officials wanted to improve Cincinnati’s image and its residents’ civic pride.

The problem was that the city of Cincinnati was in such a financial state of disrepair that they could not (or would not) afford to pay for new stadia for the Bengals and Reds. Consequently, the city asked the county to take over management of Riverfront Stadium. The city reasoned that it was financially deprived of obligatory resources and maintained that it wanted to absolve itself from the stadium business. The county agreed to consider accepting the transfer only if a list of certain demands were granted. Most of the demands concerned finances the county believed the city owed them for services that
the county provides city residents. These included funding for the Hamilton County Justice Center (more than half of the inmates were from the city of Cincinnati), the Metropolitan Sewer District (MSD), and the SORTA bus service. These demands were then met with new demands by the city in order for the county’s demands to be considered. Back-and-forth they went until they finally came to an agreement while under scrutiny of Brown and his ultimatum to secure a deal to build a new stadium for his Bengals or else his team would relocate.

With teams vying to increase profits through new, non-shared revenue streams via new stadia; sub-state government officials’ logic of capital investment to spur economic growth; the NFL’s monopolistic practice of artificially limiting the number of franchises in the league; and taxpayers’ willingness to subsidize new stadia, sports team owners will continue to make threats to leave their host community in order to receive a better deal.

To illustrate the rampant nature of the relocation situation, a year before their new, taxpayer-built stadium opened in 1998, the Baltimore Ravens sent notices to purchasers of $3,000 PSL’s. On the notices in fine print included a clause exonerating the team from liability in case it skipped town before its 30-year lease expired (Bernstein, 1998).

Once every franchise has all of the same non-shared revenue streams bringing in approximately the same amount of revenues with the ability to afford all of the top players available to the league, a new way to produce non-shared revenues will come along and change sports’ economic environment once again, continuing the franchise relocation trend. This begs the question: What new form of revenue will transform the
economic environment of the NFL, giving the team that initially creates and implements it a financial and competitive advantage on and off the field?

To sum up the stadium construction explosion in the 1980’s and 1990’s, public officials’ political approach to the rejuvenation of their urban districts entailed the philosophy that the subsidization of a stadium (along with a sports team) can spur that city’s economic growth by increasing jobs, luring businesses and employees, and attracting visitors to increase spending in the local economy. The logic undertaken has been that to accumulate capital, a city must offer incentives to an enterprise (whether public or private) to obtain or retain its services. This must be done as other cities are competing for these enterprises to locate within their borders. Because capital has the ability to migrate from one place to another while cities are fixed to a location, businesses can be swayed by the highest bidder that will provide for its needs.

In Cincinnati, their professional sports teams claimed it was essential that they profit from new stadia. The teams communicated this necessity by way of blackmail—threatening to abandon their roots if stadia tailored to their specifications were not constructed. In return for commitments from the Bengals’ and Reds’ franchises to remain in the Queen City, growth coalitions such as Cincinnati and Hamilton County officials, along with corporate elites, offered to meet these objectives and engineer them as centerpieces of an overall revitalization project in the downtown region. They did so on the backs of their taxpayers—most of whom lived outside of the city limits. They did so disproportionatelty when it came to the percent of useable income that would have to be turned over by poorer segments of the population in the form of a regressive sales tax. These growth coalitions believed it was in their community’s (the rhetorical community-
as-a-whole) best interest for the future to implement a strategy in which the construction of new sports stadia would function in the capacity of stimulating economic growth. This process has been the paradigm in the sports franchise relocation phenomenon over the past two decades. The political philosophy embodied by many cities in response to this dilemma was summed up by Bob Bedinghaus, the primary constructor of the county sales tax plan to fund the construction of two new stadia for Cincinnati’s professional sports franchises:

Like it or not, the Bengals and Reds are essential parts to the fabric of the Queen City. The fact with organized franchises in the 1990’s is that if you want to keep them in your city, you have to play by their rules. (The Cincinnati Enquirer, June 30, 1995, p. A7 by Green, Goldberg, & Michaud)
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