

**STRUCTURED ACADMIC CONTROVERSY:
Publicly Funded Sports Stadiums**

**Designed for:
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December 19, 2012**

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Overview

This lesson will be using the Structured Academic Controversy (SAC) model.

The current case issue is: Should professional sports stadiums be publically funded?

The perennial issue is: Should governments use public money to fund private enterprises?

This discussion lesson will be conducted with the use of the Structured Academic Controversy model. This structure of this lesson will allow students to be presented with information from two sides of a controversial issue. By having students read about the two sides in class, the lesson ensures that students will be well informed to participate in a meaningful discussion. A hook (that will consist of two short videos, a brief mental map activity, and an informal classroom poll) will be used to open the lesson. After the hook, students will be broken up into groups of four; two students in each group will be the “pro” and the other two will be “con”. Students will then read their assigned article first. Then each set of two will report the strongest arguments to the other two members of the group; then they will switch and the other two will give their best arguments. After this, students will then switch sides (pros will read cons, cons will read pros) and find the best argument in that article. Students will then have a discussion within their group of four and with the class as a whole. During this time students will discuss their findings and their opinions on the issue in an organized respectful manner.

Rationale/Background

The debate about whether local and state governments should fund use public funds to help build professional sports stadiums is a contemporary issue. Using this specific issue to help tie in the perennial debate about whether governments should help fund *any* private enterprise. For the most parts students should find this topic interesting which will help keep them engaged as most students are either sports fans or have parents who are. This issue also brings authenticity to the lesson as most have also been to or used a stadium or shopping district that was built with public funds. Students at this level may be aware of how tax dollars are spent for education and other social programs but might not have been fully introduced to government’s involvement with the private sector (other than taxes). This lesson is a good way for students to listen to different sides of an argument and form their own informed conclusion. This topic is a great way for students to get experience in listening to both sides. The lesson brings authenticity into the classroom as later on these students will have to make informed decisions based on this perennial issue in their futures.

Objectives

The students will:

- be able to identify to sides of an issue
- listen to both side of an issue respectfully
- work individually, as a group, and as a class to better understand a controversial issue
- find and explain points/arguments of a viewpoint to their groups
- formulate an opinion by writing and supporting it with sound evidence
- have a better understanding of funding for major projects like stadiums that the public must contribute to

- have a better appreciation for the great issue of how, what, and what not taxpayers money is spent on.

Wisconsin Model Academic Standards for Social Studies

A.12.3 Construct mental maps of the world and the world's regions and draw maps from memory showing major physical and human features

Students meet this standard during the Hook section of the lesson when they are asked to list what comes to mind when they think of specific geographic domains (cities)

A.12.9 Identify and analyze cultural factors, such as human needs, values, ideals, and public policies, that influence the design of places, such as an urban center, an industrial park, a public project, or a planned neighborhood

Students do this throughout the lesson as it focuses on the public funding of a stadiums, which greatly influences thee surrounding landscape. Students will analyze the values and ideals that are debated when funding these structures.

C.12.8 Locate, organize, analyze, and use information from various sources to understand an issue of public concern, take a position, and communicate the position

Students meet this standard when they read the articles that provide points/arguments from both sides of the issue. Students are then asked in the debrief to form an opinion and support it with evidence they have learned from these sources.

E.12.6 Analyze the means by which and extent to which groups and institutions can influence people, events, and cultures in both historical and contemporary settings

Students will meet this standard when they read the articles and begin to understand how sports (team owners) have greatly influenced the political landscape of communities throughout the country.

Context

This lesson plan is intended to be used in a 11th or 12th grade Political Science. It can be used when discussing units on the role of government, public policy, or state/local government that needs a contemporary issue to tie into the curriculum. This can also be used in any 9th -12th grade Current Events class or any social studies class that tie in current events. It is recommended that it be used in a geographic region in which there is a professional sports team to better ensure that the students can relate to the issue.

Time

This lesson is formatted to use two 50-minute class periods. The first day will consist of the hook, introduction, groupings, and rules. The second day will mostly consist of reading the articles and discussion.

Materials Needed

- Two videos pre-loaded on the computer before class
 1. Real Sports segment on the Miami Marlins
<http://www.hbo.com/real-sports-with-bryant-gumbel/episodes/index.html#/real-sports-with-bryant-gumbel/episodes/0/163-episode/video/stadium.html/eNrjcmBOYM5nLtQsy0xJzXfMS8ypLMIMd>

s7PK0mtKFHPz0mBCQUkpf6JeamcjIyskknlpbkF+QkVtqWFJWmsjGyMQIAWCcXOA

2. Archive News Clip of Baltimore Colts moving to Indianapolis

<http://www.youtube.com/watch?v=WnepDGSs2Cs>

- Copies of Pro and Con articles (Pros will be white, Con's will be light blue)
- Copies of Major Cities Mental Maps
- Copies of Student Directions/Rules (Red sheets)
- Copies of Pro and Con Charts Worksheet
- White Board/Chalk Board
- Projection Screen/Smart Board
- Projector (if applicable)
- PowerPoint Slide of Questions (2 Parts)
- PowerPoint Slide of Questions + Rules
- PowerPoint Slide of Groupings
- Markers or Chalk

Procedures

The day before this lesson I will assign students a short homework activity. This activity will be for them to find out how Miller Park (the Milwaukee Brewers stadium) was funded. This can simply be a print out from online or notes from a book or newspaper.

Before class begins I will load up on my computer the two videos:

1. Real Sports segment on the Miami Marlins (this video interviews city and county board members who voted and did not vote for the Marlins publicly funded stadium. The segment also brings for information about the Marlins finances, that they did have money, though during the process continued to say they did not.)

[http://www.hbo.com/real-sports-with-bryant-gumbel/episodes/index.html#/real-sports-with-bryant-gumbel/episodes/0/163-](http://www.hbo.com/real-sports-with-bryant-gumbel/episodes/index.html#/real-sports-with-bryant-gumbel/episodes/0/163-episode/video/stadium.html/eNrjcmBOYM5nLtQsy0xJzXfMS8ypLMIMds7PK0mtKFHPz0mBCQUkpf6JeamcjIyskknlpbkF+QkVtqWFJWmsjGyMQIAWCcXOA)

[episode/video/stadium.html/eNrjcmBOYM5nLtQsy0xJzXfMS8ypLMIMds7PK0mtKFHPz0mBCQUkpf6JeamcjIyskknlpbkF+QkVtqWFJWmsjGyMQIAWCcXOA](http://www.hbo.com/real-sports-with-bryant-gumbel/episodes/index.html#/real-sports-with-bryant-gumbel/episodes/0/163-episode/video/stadium.html/eNrjcmBOYM5nLtQsy0xJzXfMS8ypLMIMds7PK0mtKFHPz0mBCQUkpf6JeamcjIyskknlpbkF+QkVtqWFJWmsjGyMQIAWCcXOA)

2. Archive News Clip of Baltimore Colts moving to Indianapolis (this video shows images of the Baltimore Colts moving in the middle of the night to leave Baltimore. It also has interviews of how the citizens felt when the team left and mentions they moved so they could receive a better facility).

<http://www.youtube.com/watch?v=WnepDGSs2Cs>

I will also load up my PowerPoint slide show that will include 3 slides (Questions, Questions and Rules, and Groupings). Also prior to class I will need to ensure that I have all copies near the front of the room so that they can be handed out quickly. The first handout, "Major Cities Mental Map" (attached) will be handed out/laid on their desk while their arriving in so that we waste no time.

Hook:

After the students have seated after the bell, I will inform ask them "Please go through this handout and tell me 4 things that come to mind when you think of these 3 cities New York, Chicago, Milwaukee. For example, if Minneapolis was on this list I would say 'Mall of America, the Vikings, the cold, and hockey.'" Students will have about 4 minutes to complete the sheet. When the time is up, I will ask a few students, 3 or 4 (particularly ones that I know are sports fans or sports fans) to share their answers. The goal here is to try to elicit a few responses of sports teams or stadiums. Depending on their exact responses I will then say something along the lines of "I notice that some of you have mentioned sports teams or stadiums like the New York Yankees or Miller Park." After I mention that I will tell the students 3 statements and ask them to raise their hand if that statement is true for them (do not count how many students as it is not important):

- I am a sports fan.
- I have watched professional sports on TV within the last month.
- I have been to a professional sports game within the last year.

As I am giving these students these statements I will have made my way over to the computer and will now play the first video, *Real Sports segment on the Miami Marlins* (2 minutes.). I will then play the second video right after, *Archive News clip of the Baltimore Colts moving to Indianapolis* (3 minutes). After the videos have played I will begin my formal introduction to the lesson.

Introduction:

The introduction will begin with me explaining to the students that what we will be doing over the next two days is a Structured Academic Controversy discussion. I will inform that this discussion includes everyone will explore both sides of and discuss their findings and opinions with their group and the classroom. I will then ask the students "Does anyone have an idea of what our discussion topic and/or issue is?" I am confident the students will volunteer and answer that it is about public funding for sports stadiums. If not I will lead them to that conclusion quickly by reviewing what we just saw on the videos.

Before I explain the topic to the students, I will casually ask them "How many of you know that 90% of stadiums built in the last 25 years were paid for with taxpayer's money?" I will then have them get out their homework activity and ask them what answers they found to the question of "How was Miller Park funded/paid for?" I will use this to introduce the topic in more depth to give the students a framework. When they say that "75% was paid for using public funds", I will respond with "So you are saying that most of it was paid for by "us" the taxpayers and not the team? Well if that is the case, what do we get out of it?" This will grab the students attention more and the goal is to hopefully get a few students to mention things such as: simply nothing, brings money into the economy, the team may have moved if we didn't, or civic pride. These responses will help build the students framework of the issue.

After this brief framework/introduction to the issue, I will present the first part of the first slide on the PowerPoint, which will simply have the question "Should professional sports

stadiums be publicly funded?" I will explain to them that this is the question we each will be answering in the next two days. Then I will bring the second part of the first slide up which will read below the first question, "Should governments use public money to fund private enterprises?" I will then open the floor to ask the students if they understand what a perennial issue is or how this relates to case issue. Once I know they understand what a perennial issue is, I will ask them if they can name other possible case issues related to this (Casinos, shopping centers, funding business startups, urban redevelopments, convention centers). If they do not name any of those I will pose questions in order for them to give those as answers. Finally, I will ask my students what other possible perennial issues does this case issue fall under? When this brief discussion has ended I bring up the next PowerPoint slide, which will list the groupings.

The Groupings:

I have intentionally designed the groups to be divided first by a mix of students who I feel are sports fans (through informal observations throughout the school year such as weekend activities, do they play sports? do they wear sports apparel) and those who may not be or are not as obvious of fans. I will also ensure that students who get distracted by each other are not with each other. I will also incorporate lower level students or students with needs with stronger more outspoken students (who are more helpful or willing to help) and so if they are not as actively engage the entire group does not sit idle. There will be four students per group. Since groups was made prior to class I will be prepare to shift students if a group gets down to 2 members (final groups should be between 3 and 5 students).

I will display the map as a slide on the PowerPoint. Before students move I will ask them to do two things 1) When they get to their groups I will have students rotate two desks (since all angle towards the front) so they all face each other. 2) To come up with a group name they can all agree upon while they are moving their desks and waiting for everyone else. I will instruct students to write their team name on any handouts they are given (as a space will be provided for their team name and real name). As they are getting seated I will handout the instructions (attached) for the discussion (the rules will be on the PowerPoint) Pro/Con worksheet (attached), and handout pro and con articles (attached) (give the same article to the two students who are seated next to each other). 0

The Discussion Rules/Instructions:

I will remind students to write their name and team name on their Pro/Con worksheet. This work sheet will be broken into two columns; pro and con, with spaces for 4 main arguments to be listed. The backside will be discussed later. I will inform the students that the instruction sheet (which is red) was given to them to help remind them if they get confused or lost on what steps they need to take. The rules, which will also be on the PowerPoint Slide under the main questions, will be on the backside of the instructions. I will read and explain each rule. I will allow students to ask a few questions to clarify the rules. I will explain to them that it is important that these rules need to be followed or else we will successfully complete this discussion. I will inform them that there will be a time and place for them to fully express their opinion but ask that they keep an open mind and be respectful to their classmates. Students should not make comments such as "That is

wrong! That's so stupid! They don't know what they are saying!" or even carry body language such as shaking ones head in disagreement. You may ask questions of your classmate to clarify or explain more of a specific point/argument.

The Articles:

I will then have the students look at the article packets that I have handed them. I will inform students that if their packet says "Pro" at the top, they will be reading the Pro arguments first. If their packet says "Con" they will be reading the Con arguments first. At this point, I will ask students to move the Pro desks about two feet away and the Cons to move about two feet away (so they desk are about four feet away from the middle of where they started). I will then ask the students to read their article quietly. While reading students should mark down or highlight points that help support their sides stance (i.e. if you are a Pro article reader, make notes of arguments that support the Pro side). After both members of the same side have finished reading, together they need to write down the four major points that they think best supports their side on their Pro/Con Worksheet. Students will have approximately 10 minutes to do this.

Presentation of the Facts:

I will ask students to put their groups back together so that the four desks closer and facing each other. I will then have students to present their points/argument to the other two members of their group. The pros side will go first. When the pros list their arguments, the cons will need to keep track and make notes of their arguments on the Pro/Con Worksheet. Once the pros are done listing their points, the cons can then ask any clarifying questions. I will remind students that this is not a time for debate, just to record the points. Once this is done, then the cons will list their findings, while the pros record down the points on their Pro/Con sheet. Each group will have approximately 5 minutes each to explain/list their points while the other group records. I will walk around the room to monitor that the students are on task and that they are only listing and recording points, not arguing.

The Switch:

When both sides have recorded the findings from the other group, students will be asked to exchange articles (a pro for a con and a con for a pro). Students will now be asked to push their desks back just as they have done before. Students will read the new article and record on the backside of the Pro/Con worksheet the best (up to 2) arguments they can find that were not mentioned previously by the original group. When the mini-groups of two are done reading they must prepare the best arguments they can. Students will have about 10 minutes to complete this. I will then ask students to push their desks back together. Once they are back together the new pros will present their best new found argument to the cons. The cons will then record the new arguments on the Pro/Con worksheet. Then the two sides will reverse roles and the cons will read their new points with the pros recording. Just ask before, each side should only ask questions at the end and it should be to clarify, not to debate or argue. This will take approximately 5 minutes.

The Consensus:

I will mention to the class something along the lines of “Now that everyone has a better understanding of both sides of the issue, I would like your group to come to an agreement or consensus. What I mean by this is, I want you to find point that everyone agrees on that was discussed during your group exchanges. For example, this could be that you all agree that stadiums do not bring in additional revenue to the community. Or, you could agree that without the stadium the teams will relocate and the city will lose a sense of civic pride. I want your group to work together to discuss, think though, and create one thing you all can agree upon. After some time, if groups cannot find a consensus, I will allow them to agree to disagree, but then they must identify the major point they disagree on or what specifically is dividing them. I will allow students to work on this for 10 minutes.

Discussion and Debate:

This section will begin with me asking each group to offer the best argument that was presented for the pros and cons. I will list these on the board as they say them. In addition to this, I will also ask the group to tell the class the consensus they came to. After every group has shared their points I will then ask “Are there any additional valid points on either side that should be listed” After we have exhausted these points, I will ask the students to write down briefly their own opinion on the backside of their Pro/Con worksheet (blank side). I will ask students to write clearly so they can read their own writing as well as to support their opinion with evidence that has been presented in class. I will remind students that there is no right or wrong answer and that I am just looking for their opinion and what is making them come to that opinion. Students will be given about 5 minutes to do this portion.

When everyone is finished I will then ask for volunteers to share their opinion. Once an opinion has been shared, I will ask others if they have any comments on the statement that was made. I will assume that within the first few comments that someone may take a strong opposite opinion on the statement and remind the students that we need to be respectful to everyone’s opinion. I will then ask for other volunteers to share their opinions with the class. When students make their statements I may ask them to either 1) clarify their statement 2) ask them to explain more 3) or how does this relate to another point (if this has not yet been made or it has become too one-sided). Once there are no more volunteers I will begin to call on students who I have not yet heard from during the discussion. If they say their opinion has already been said, I will just ask them to read their opinion and inquire if they now have more thoughts after hearing everyone else mention more evidence. I will allow discussion for about 30 minutes.

The Debrief:

The debrief will be short and reflective in nature. I will hand the students a sheet of paper with a few questions (attached). The first three will be discussed with the group and then answered 1) on what did your group come to consensus? 2) What were the primary areas of disagreement? 3) How well did your group listen, ask question to better understand, and build upon each other’s ideas, use examples.

The last two questions will be for students to demonstrate what they have learned and to allow them to share their opinion on answering the two questions of the lesson, both the case and perennial issue? The students will answer on their own: 1) What did you learn about the issue of public funding for professional sports stadiums and 2) What is your position regarding the question “Should professional sports stadiums be publically funded?” and “Should governments use public funds to finance any type of private enterprise?” This will be assigned as homework.

Assessment

The assessment will be based off the debrief and students participation throughout (including filling out the Pro/Con worksheet). Student’s answers will be assessed on completion of the assignment, ability to use supporting evidence, and clear writing.

Accommodations

Accommodations have been worked in throughout my lesson plan. I use projection screen to keep focus questions available for all to read. I have also given students a handout with directions with step-by-step instructions. Depending on the group of students I would adjust the groups depending on their needs. For ELL students, depending on their strength I may split them up or keep them together with a stronger ELL student (this only depends on the students and suggestion of the ELL teacher/and or aid if applicable).

Lesson Plan Evaluation/Reflection

This lesson I feel is not only appropriate for the class I have placed it in, but it is also I feel interesting to the students. The sports tie in with this lesson I believe not only grabs the students attention, but brings authenticity to lesson because more and more sports is becoming a larger part of our society. I think this is a great way to introduce the SAC lesson plan because it is not as controversial issue as others. While some may get heated about this debate, I do not feel it will rise to the levels of topics such as abortion and the death penalty. This issue is also a current issue, as there are many instances of this issue throughout the country. This lesson could be adjusted and allow for students to actually write their government officials if this debate is currently a local issue. Additionally, students are generally unaware of how much money these stadiums cost and where the money comes from. I feel a personal attachment to this topic because it was one I felt so strongly about one view and after doing research my opinion has entirely changed. As a result, I believe my students will have an open mind on this issue that may or may not have them switch views, but it will at least allow them to *really* listen to the different views. I like this issue because it can be use almost anywhere and it grabs the student's attention just as much. My biggest concern was what sort of homework or pre-lesson activity I was going to assign. Most articles really just give the entire story, but I figured having students do something active (rather than just read) would peak their curiosity more as typing in "Miller Park Funding" in Google will elicit a lot of possible stadium funding articles which may grab the students attention and have them dive into the issue a bit more before class.

When creating this lesson I learned many things. The first thing I learned creating this lesson is the importance of finding good material that is somewhat balanced for the Hook. I did not want to skew the student's perception of the issue. I have also learned it takes a lot longer to plan this type of lesson than I thought. It is much harder to find articles that are one-sided on this issue. This I think is good though, mainly because there are not hundreds of sites out there that have list of pros/cons of this issue means that it is not being discussed in the classroom setting. I learned to like this model because it gives students not only a chance to share their opinion but also it forces them to learn about both sides. I learned that having everyone read the same materials allows for a more fluid discussion because we are all using the same set of facts/points/arguments. Also, by providing these articles I will greatly reduce the amount of "That's not right" or "That is bogus" comments we hear all to often in class.

PASS Standard Evaluation

Standard 1: Higher Order Thinking – 4 Points

I gave this standard a 4 because students must do a lot of analyzing and examining many different facts on the issue. Students must also read both sides of the issue. This may not seem like much but when most people come to an opinion they do not do anymore research. This lesson forces them to do more reasoning and contemplating on their previous thoughts/beliefs. Students must also use supporting evidence for their opinions when writing their debriefs.

Standard 2: Deep Knowledge – 3 points

I gave this a 3 because the students are really only getting an overview of the issue. First they are only getting some articles on the public funding stadium debate, but each case is always different. They are not diving into the issue in which they have all the facts or research, just major points. Additionally, we are only discussing the case issue for the most part and the not other facets of the perennial issue (private schools, shopping centers, casinos, convention centers, private businesses).

Standard 3: Substantive Conversation – 5 points

Since this is a discussion model it is hard to rate it anything below a 4, especially with the amount of time devoted to it. Because this issue is not the most controversial it is really hard for students to be offensive, disrespectful, or take even taken offense to comments said by others. As a result, this issue will not have students screaming across the classroom or ignoring each other within the groups. There are a lot of points in this issue that students may not be aware of which will help facilitate a meaningful discussion within the groups and classroom.

Standard 4: Connections to the World Beyond the Classroom – 4 points

I gave this 4 points mainly because students will relate to this issue much more than other issues. While this might not be the most important issue, this issue and lesson is a great way for students to discuss something they might actually discuss in their future lives within their communities. Most students have a hard time understanding the amount that local/state governments play in our lives, this a great issue to understand how much say they actually have (or will have) and the effect it will have on their lives. Because this issue is “light” in nature students I feel more students will be likely to take some civic action or additional research. Additionally, it would be hard pressed to find a student who did not relate this to the real world as most students are sports fans or their families are. For those who are not, such as those that are interested in the arts, this discussion brings up the issue to them of why do they not get extra funding? Or why are they not funding a new local theater? This falls short of 5 points because I do not specifically have students doing something outside the typical classroom/school setting.

Standard 5: Ethical Valuing – 3 points

This is not truly a life or death issue that I made for this lesson. This allows it to be strong in other categories but weaker in this standard. Students though must analyze whether or not governments should use taxpayer’s money to fund private enterprises. They must decide whether it should happen in this case (stadiums) or any case at all. They are given this chance with the debrief when I ask them whether there are any cases that they would be OK with government funding. Students will also decide what the true value is of civic pride and whether that cost is greater than funding education or other social programs.

Standard 6: Integration – 4 points

This issue itself lends itself to many disciplines within social studies: history, behavioral sciences, economics, political science, and human geography. This issue is a public policy matter and the reasoning for it is based largely on economics and civic pride (human geography). Behavioral sciences are incorporated because students are exposed

to how these institutions (sports leagues such as MLB or NFL) have made their way on our political landscape and have become a fixture in our everyday lives. History is incorporated when students see clips and articles from past teams/stadiums issues and how it affected their local cities throughout the years.

Arguments: 1st findings

Group Name _____

Student Name _____

| Pro: | Con: |
|------|------|
| 1. | 1. |
| 2. | 2. |
| 3. | 3. |
| 4. | 4. |

Arguments: 2nd findings

| Pro: | Con: |
|------|------|
| 1. | 1. |
| 2. | 2. |
| 3. | 3. |

Debrief SAC

Discuss and answer as a Group:

1. On what did your group come to consensus?
2. What were the primary areas of disagreement?
3. How well did you group (1) actively listen, (2) ask questions to further understanding and (3) build on the ideas of others? Please provide examples of each. Also, indicate how your group could improve in each of these areas?

Answer Individually for homework

1. What did you learn about the controversial issue of publicly funded professional sports stadiums?
2. What is your position regarding the question “Should professional sports stadiums be publically funded?” AND “Should governments use public money to fund private enterprises (i.e. convention centers, private businesses, casinos, redevelopment projects, etc.) and if no, is there ever a case?” Please be sure to use supportive evidence that you have learned throughout this class.

Please answer this last question on the back side of the sheet!

Discussion Rules:

These rules are to ensure that the discussions are productive, fair, and non-threatening to all participants. Our goal is to present the facts of both sides of the controversial issue. Everyone is allowed to have and state their own opinions at the appropriate time.

1. This lesson is designed to enhance the understanding of both sides of a controversial issue. To help achieve this goal, personal opinions will not be stated until the final large group discussion.
2. You will be assigned a side on this issue. Read the information given to you closely and carefully. Work with other members of your group to develop and refine the arguments you will present. Be sure that ideas from all of the contributors are expressed in the final statement.
3. While the pros are presenting their findings, the cons will be actively listening and taking notes. After, nothing should be said by the cons during the presentation of the findings the cons will be allowed to ask clarifying questions.
4. While the cons are presenting their findings, the pros will be actively listening and taking notes. After, nothing should be said by the pros during the presentation of the findings the pros will be allowed to ask clarifying questions.
5. Everyone will try to agree on one point after all of the evidence has been presented. The group will need to work as a team for this to be accomplished.
6. All students must actively participate. Everybody will offer a different viewpoint and idea as to the understanding and comprehension of evidence. Each student should be sharing notes, ideas, and findings to other group members. The group must act as a team.

Major Cities Mental Maps

New York:

1.

2.

3.

4.

Chicago:

1.

2.

3.

4.

Milwaukee:

1.

2.

3.

4.

Should professional sports stadiums be publically funded?

Current Case: Should professional sports stadiums be publically funded?

Perennial Issue: Should governments use public money to fund private enterprises ?

I would have my classroom mapped out here with the groups labled

Current Case: Should professional sports stadiums be publically funded?
Perennial Issue: Should governments use public money to fund private enterprises ?

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Pro Articles

Opinion piece from the *St. Paul Pioneer*

The question of why states, or occasionally counties, allocate such large sums for sporting related events delves deeper into the collective psyche of modern society. The adoration of sporting teams is predicated on the idea that they accomplish a public service. Branching, its sphere of influence into reports on daily local newspapers, radio, and television stations, teams take on the identity of the region they represent. Richard Lipsky in "How We Play the Game" describes 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.

Sporting events offer spectators a unique experience, since each game is different. With the advent of luxury seating there is an opportunity for people to consume sports in an elite and rarified manner visible to other consumers. Mark Rosentraub explores the topic further in how sporting teams take up a rarified spot in public life. Not only can sports serve as an outlet for fans' passions, they also serve as economic tools to renovate parts of downtown. Modern architecture used in the design of new stadiums not provides an arena for the event, but serves in and of itself as a tourist attraction. In addition, as cities strive to build affluent downtown areas with offices and services, stadiums can be used as a recreation area to complement the working population of the area.

The importance of a sports team to a city's residents is difficult to overstate. Christopher Diedrich notes the study of Mark Rosentraub and David Swindell, who in 1996 surveyed Indianapolis residents, asking them to rank the importance of a range of cultural attractions to their city. The results are endemic of society's value on professional sports. The researchers found that

"When asked about civic pride, respondents answered that the NBA's Indiana Pacers were as important as museums. Right behind them were the NFL's Indianapolis Colts, well ahead of the area's music and shopping. When asked what defined the area's reputation, respondents answered auto racing first, followed by the Pacers and Colts, with museums falling to fourth. Finally, when asked whether the loss of a particular community asset would hurt the reputation of the community, sports won again. Eighty-five percent of respondents believed that losing the Indianapolis 500 would hurt their reputation, followed by the Pacers at 81% and the Colts at 75%, with only 68% of respondents believing that the loss of their museums would harm the city's reputation."

Furthermore, proponents claim keeping teams within the city provide benefits outside the financial realm. Sarah Wilhelm analyzes each of these claims in her oft-cited study on the value of professional sports to cities. She notes that a local sports franchise may create benefits for fans who never attend a single game. Fans may follow the franchise in the media and discuss the franchise with friends, family and coworkers. It also gives off a feeling of civic pride. A local sports franchise will create civic pride, essentially putting the city "on the map." It may help draw in a talented workforce that would be willing to settle for reduced benefits in order to be closer to a sports team. She writes that it can affect recent college graduates as they ponder their next location.

Excerpt from Charles P. Rock:

The most frequent reason given by proponents to justify large public subsidies for expensive new stadiums is that such expenditures are justified by positive economic benefits to the local economy. As a recent academic reader about sports in American society concludes, the pro-stadium subsidy arguments are as follows:

1. A stadium and a pro team create jobs and these employees will spend money locally and pay taxes.
2. Stadium construction infuses money into the local economy, which is spent over and over again as it circulates through the city and the sale of construction material generates tax revenues.
3. The team will attract other businesses to the city and also bring visitors from outside the area who will spend money in the city.
4. The team will attract regional and national media attention that will boost the tourist industry, enable local firms to sell their products outside the city, and contribute to overall regional economic development.

Virginia Beach is making a push to get the Kings to relocate there

By Zach Harper
November 28, 2012

The Maloofs have had a rough couple of years, and it's largely their own doing. After the 2010-11 season, it looked like the city of Sacramento was going to lose the basketball team they've hosted since 1985. The Maloofs tried to sneak into the city of Anaheim and add a third NBA team to the Los Angeles/Southern California area.

After a phenomenal rallying of support by the city of Sacramento, the team's fans and people around the league who knew what was happening wasn't correct, the NBA basically gave Sacramento one year to figure out an arena deal with the Maloofs. During All-Star weekend in Orlando, a deal was agreed upon in handshake form, causing a great deal of pride and a sense of accomplishment throughout the NBA front offices and the Sacramento Kings community.

Then the deal fell apart because the Maloofs claimed it wasn't a fair deal. Since then, other cities have been looking into poaching the Kings from Sacramento. Virginia Beach is one of the persistent cities right now. Via Sactown Royalty:

According to WAVY-TV's Bruce Rader, Virginia Beach mayor Will Sessoms has reached a deal with Comcast-Spectacor and apparently the Maloofs to build a city-owned arena in that fair burg, with the cable company as the operator and the Kings as the primary tenant. Next Tuesday, Rader reports, Sessoms will ask the Virginia Beach City Council to approve a request to the State of Virginia for \$150 million to help build the arena and finance the team's relocation.

They've basically refused to put up a decent amount of money that they don't already owe during this arena fiasco because it looks like they might be hurting for the collateral to do so. They barely own any of the Palms Casino in Las Vegas (just 2 percent) and sold their alcohol distributorship in order to attempt to save the casino.

The Maloofs have offered up a dizzying array of excuses that don't show anything substantial as they try to get out of having an arena in Sacramento. It seems like Anaheim or Seattle would be better markets for the Kings. However, Virginia Beach would get the Maloofs away from a lot of bad relationships they've fostered with the city of Sacramento, its officials and the fans of the team.

After the financial costs, the NBA would have to approve the relocation, which might be hard for them to bring themselves to do. After the bad press and fallout of the Sonics moving from Seattle, the NBA has been much more careful about protecting teams in existing markets. In the past few months alone, the NBA has worked hard to make sure the Grizzlies in Memphis and the Hornets in New Orleans have local backing and sound ownership futures to ensure those teams stay in those markets..

The move by Virginia Beach seems like a no-brainer. Even at the estimated arena cost of \$350 million to \$400 million, they could bring in quite a bit of revenue that isn't in the city now to make up for the tax hikes and costs to get such a deal done. That is assuming the Maloofs don't decide to claim an arena deal isn't fair after they've already agreed to it.

Con Articles

Public financing of stadiums unnecessary, study shows

SportsLine.com wire reports
March 24, 2004

DAYTON, Ohio -- Play ball, tax free.

A study by researchers at the University of Dayton concludes that large public subsidies for the construction of major league baseball stadiums are unnecessary. Economics professors Marc Poitras and Larry Hadley examined the 13 stadiums built between 1989 and 2001 and concluded teams would probably recover all or nearly all the cost of construction if the ballparks were built with private money instead of taxpayer money.

"The bottom line is that these new stadiums generate sufficient revenue to pay for themselves," Hadley said Wednesday. "If the stadium pays for itself internally, that should be sufficient motivation for the owners to build it."

"Amen," said Jerry Geisel of suburban Kettering, a Chicago Cubs' fan and season-ticket holder for the minor league Dayton Dragons. He opposes public financing of stadiums. "It's a business," Geisel said. He said taxpayers wouldn't give a private company money to construct a new building, but they are willing to pay for baseball stadiums. "People are stupid enough to fall for it. I think it's absolutely terrible," he said.

The only recent stadium built entirely with private money is SBC Park in San Francisco, built in 2001. Before that, it was Dodger Stadium in Los Angeles in 1962. In their study, the researchers took into account team performance, ticket prices, the honeymoon period of a new stadium, stadium capacity and player salaries.

With the first season in a typical \$268 million stadium expected to produce about \$33 million, half the cost of construction would be recovered in five years and all of the cost in 12 years, the study said. After 20 years, revenues would exceed construction costs by more than \$100 million and by \$200 million after 30 years, the study said.

The study said that if teams were left to rely on their own funds, they would likely choose functional, no-frills stadiums that would make it even more likely to recover their costs. Messages seeking comment were left for Major League Baseball and the Cincinnati Reds, who had their \$280 million Great American Ball Park built mostly at taxpayer expense.

Andrew Zimbalist, a professor of economics at Smith College in Massachusetts and expert in sports economics, reviewed a draft of the study. "It's done carefully," Zimbalist said. "But I'm not entirely persuaded that all of the assumptions they're using are accurate."

He said it might be possible in most instances for teams to privately finance stadiums if they are willing to live with declining rates of return as the stadiums age. But he questioned whether teams are able to do that in the current market.

Since 1990, he said, professional sports teams have gotten stadiums that are about 70 percent publicly financed, resulting in increased profits. Teams that need new stadiums could claim competitive disadvantage if they don't get public financing for their ballparks, he said.

Exerpt from Charles P. Rock:

Unfortunately for the advocates of public subsidization of new stadium construction, when economists, urban planners, and other public investment analysts actually try to measure these effects, they come up empty-handed. As Coakley concludes, "dozens of studies done by independent economists, both liberal and conservative, do not support these arguments." He then summarizes his finding in surveying the results of these empirical studies:

1. Teams and stadiums do create jobs, but apart from the high-paying jobs held by players, stadium jobs are low paying and seasonal. . . . The vast majority of players' salaries are not spent in the cities where they play. . . .
2. Construction materials often are brought in from other locations, as are specialized construction workers. The companies that design and build stadiums are seldom local, and they spend their consulting dollars in other cities.
3. Stadiums do attract other businesses, but these are often restaurant and entertainment franchises with headquarters in other cities and often these franchised businesses drive longtime local operators out of business. Spectators do come from out of town, but the vast majority . . . live close enough that they do not spend the night in connection with attendance at a game, and they spend a limited amount of money on food and other forms of entertainment outside the stadium.
4. Stadiums and the teams that use them do generate public relations for the city and for tourism, but tourists who visit the city for other reasons may stay away when big sports events are in town or when games are scheduled. Regional development is limited because local people who spend money at and around the stadium have fewer dollars to spend in their own areas of the city. An inner-city stadium does great things for the area around the stadium, but it often hurts other businesses and discretionary income is limited in any population . . . and spending on season tickets . . . often means that one will spend less money on going out to dinner and to shows.

A Stadium's Costly Legacy Throws Taxpayers for a Loss

By REED ALBERGOTTI and CAMERON MCWHIRTER

Reed Albergotti/The Wall Street Journal

Paul Brown Stadium, home of the Cincinnati Bengals.

CINCINNATI—Here in Hamilton County, where one in seven people lives beneath the poverty line and budget cuts have left gaps in the schools and sheriff's department, residents are bracing for more belt-tightening: rollback of a property-tax break promised as part of a 1996 plan to entice voters to pay for two new stadiums.

The tax hit is just the latest in a string of unforeseen consequences from what has turned into one of the worst professional sports deals ever struck by a local government—soaking up unprecedented tax dollars and county resources while returning little economic benefit.

With a combined estimated cost of \$540 million, the stadiums—one for football's Bengals, the other for baseball's Reds—were touted by the teams and county officials as a way to generate cash and jobs. The Bengals, who had threatened to relocate if they didn't secure a new home, drove negotiations. And it is that deal—the more lucrative arrangement struck with the teams—that has fanned the county's current struggles.

Hamilton County has cut funding for social programs and other budget items. One enduring obligation: its huge debt payments for Paul Brown Stadium.

Journal Community

An analysis by The Wall Street Journal shows that of the 23 National Football League stadiums built or renovated between 1992 and 2010, only two involved a single county government willing to shoulder the debt burden necessary to build costly new facilities. Of those 23 deals, the Bengals pact was unusually lopsided in favor of the team and risky for taxpayers—the result of strained negotiations between a local government and the professional sports team it was anxious to keep.

At its completion in 2000, Paul Brown Stadium had soared over its \$280 million budget—and the fiscal finger-pointing had already begun.

The county says the final cost was \$454 million. The team's estimate, which doesn't include infrastructure work around the stadium, puts the tab at \$350 million.

But according to research by Judith Grant Long, a Harvard University professor who studies stadium finance, the cost to the public was closer to \$555 million once other expenditures, such as special elevated parking structures, are factored in. No other NFL stadium had ever received that much public financing.

He attributes the cost overruns to the county's decision to move the stadium location to a site where it was more expensive to build. Hamilton County commissioners say the location change accounted for only \$70 million of the extra costs.

A preliminary PricewaterhouseCoopers audit of construction costs, reviewed by the Journal, found that there were insufficient financial controls on the part of various project managers and contractors hired by

the county. It notes that at least \$35 million of the cost overruns were unrelated to the site change, of which the Bengals were responsible for roughly \$4 million.

To help finance its stadiums, Hamilton County assumed more than \$1 billion in debt by issuing its own bonds without any help from the surrounding counties or the state. As debt service ratchets up, officials expect debt payments to create a \$30 million budget deficit by 2012.

"The Cincinnati deal combined taking on a gargantuan responsibility with setting new records for optimistic forecasting," says Roger Noll, a professor of economics at Stanford University who has written about the deal. "It takes both to put you in a deep hole, and that's a pretty deep hole."

The stadium's annual tab continues to escalate, according to the county's website. In 2008, the Bengals' stadium cost to taxpayers was \$29.9 million, an amount equivalent to 11% of the county's general fund.

Last year, it rose to \$34.6 million—a sum equal to 16.4% of the county budget. That's a huge multiple compared to other football stadiums of the era that similarly relied on county bonds for financing. Those facilities have cost-to-budget ratios of less than 2%.

"It's the monster that ate the public sector," says Mark Reed, Hamilton County's juvenile court administrator.

Like many other items in the budget, the juvenile court has seen its funding slashed—by \$13.4 million from 2008 to 2010. It was forced to nix funding for programs like Youth, Inc., which worked with troubled adolescents.

County Auditor Dusty Rhodes initially supported the stadium deal—partly as a matter of civic pride. But now he feels differently about the costly legacy that has grown in the arenas' shadow—and believes there's plenty of blame to go around.

Cincinnati's deal, like many of similar vintage, was crafted as a way to keep sports franchises in place. In the 1990s, many pro teams threatened to relocate unless their local governments could offer subsidies.

Teams were given public land and rent abatements. Some received new stadiums worth upwards of half a billion dollars, paid for in large part with government bonds.

But unlike in Cincinnati, where a single county shoulders most of the risk, the exposure for most NFL stadium deals has typically been spread over a large area. When the Philadelphia Eagles got a new stadium in 2003, the state of Pennsylvania picked up roughly half of the projected public cost. When the Denver Broncos landed a new stadium in 2001, six counties carried the burden. The Ohio Cultural Facilities Commission pitched in \$73.35 million toward the cost of Cincinnati's two sports stadiums, or less than 15% of what the facilities were originally expected to cost.

Some local officials had cautioned that the stadium expense was too great. They warned that the projected \$300 million in economic benefits, outlined in a report commissioned by the county, were exaggerated.

Tom Luken, a former Cincinnati mayor and councilman, actively campaigned against the deal. "Anybody with half a brain can figure that this is a bad deal," he says. "As it turned out, it was even worse than they painted it."

Negotiations between the Bengals and the county were ultimately handled by a three-person county board of commissioners. One of those commissioners, Bob Bedinghaus, joined the Bengals in 2001 and is now the team's director of business development.

Hamilton County voters overwhelmingly approved a half-percent sales tax increase in March 1996, paving the way for the pair of stadiums. In exchange, residents were promised a property-tax rollback and more funding for public schools. Among the sticking points: who would pocket the millions in annual parking revenue (the Bengals now collect those funds) and who would pay for security costs (the county picks up the bills).

All along, the Bengals had used as leverage offers from other cities, including Baltimore—saying the city had floated a better deal.

It said that neither the governor nor the stadium authority would support "any proposal which contemplates seeking legislative approval for additional government funding."

Hamilton County ultimately agreed to cover all stadium cost overruns as well as most operating and upkeep

Harold Flaherty, a former schoolteacher, says he is livid about the sports pact. "It staggers my imagination that we should pay for this," he says. "I think it's the dumbest thing we ever did." Mr. Flaherty, 77, will pay about \$240 more in property taxes this year due to the rollback.

Mr. Flaherty, a sports fan who voted against the stadium deal, says he doesn't go to Bengals games. "I already give them money," he says.