

## A MIRAGE OF BENEFITS AT YANKEE & METS' STADIUMS

### *How would YOU spend \$1.5 billion dollars?*

Last week, the NYC Industrial Development Agency released documents to support its proposed financing of \$371 million for the new Yankee Stadium and \$82.3 for the Mets' new stadium.

Why should you care? At a time when every level of government is cutting back and unemployment is at historic highs, now is not the time to give public monies to the wealthiest sports teams in the country. Especially for stadiums that are nearly complete and ***already received more than \$1.5 billion dollars in public subsidies***. *And these are conservative figures!* The documents the city released – for Yankee Stadium especially - do little to pacify the economic concerns in the city, state or federal budget. Here's why:

**DIDN'T WE ALREADY SUBSIDIZE THESE PROJECTS? YES!** Despite claims from the city that these projects are “privately financed,” Good Jobs New York estimates taxpayers have already invested over \$1.5 billion in the new stadiums. If these projects were indeed privately financed – as City Hall has relentlessly insisted this week - why did the city, on the Yankees and Mets' behalf, spend significant time and resources lobbying the Internal Revenue Service to allow the IDA to issue *tax-free* bonds for the project? Getting special permission from the IRS for a public authority to issue a financial package that consists of tax-exempt bonds, a variety of tax breaks and significant capital costs to a city agency would fail to meet any definition of a *private transaction*.

**JOBS:** The jobs figures are incomplete and the city has failed to use this most recent round of public financing as leverage to guarantee good long-term jobs for New York City residents. Without question the construction jobs are a benefit, yet the city made no effort to incorporate hiring or training opportunities for New Yorkers into the 6,000 construction jobs for the new Yankee Stadium (we do not have a comparable figure for the Mets at this time).

The Yankees report the new stadium will result in ***only 57 additional permanent, full-time jobs and 253 non-permanent part-time jobs*** (i.e. ticket sellers and takers, maintenance workers and others). This does not include players, coaches, or scouts. The additional 1,100 new jobs at the stadium are on a contract basis, most of these are concession stand workers, and the wages and benefits are unknown. The Mets report 343 full-time and 2,790 part-time workers at the current stadium, and say they expect 347 full-time and 3,724 part-time employees at the new stadium, meaning most of the new jobs will be part-time.

-over-

**ECONOMIC BENEFITS:** Since the original figures the city released in 2006, the estimated benefit for the Yankee Stadium project (which now includes the new parking garages) has almost tripled and is now up to \$280.4 million. The IDA's estimated benefit for the Mets stadium project has also increased a great deal, from \$61 million in 2006 to over \$108 million today. These figures are what the city uses to justify using public money for the projects, but most of the assumptions that went in to calculating these *figures are a mystery*.

**WHAT'S THE NEW MONEY FOR?** In The Bronx, the largest uses (\$25 million) will be for scoreboard and video equipment. Other large uses include: suite upgrades (\$10.5 million), and metal and masonry upgrades (\$16.2 million jointly). In addition, two new restaurants, a Hard Rock Café and New York Yankees Steak House, are being built inside the stadium. The Mets claim they need more money for advertising signage, food service and high definition score boards.

**WHERE ARE THE PARKS?** To make way for the new Yankee stadium, the city council and state legislature gave all of Macombs Dam and part of Mullaly parks to the team without informing residents. The interim parks have yet to be completed and the replacement parks will be scattered about the South Bronx – some even on the other side of the Major Deegan Expressway. This project has taken away recreational space from residents and dozens of schools.

**WILL THE TEAMS LEAVE NYC WITHOUT ADDITIONAL FUNDING?** To get funding for the project, the Yankees needed to threaten to leave New York. Many sports experts question the validity of this threat and NYC officials admit that they didn't independently verify the Yankees claim. Considering the new Stadium is on track to open this April, the chance the team would leave is highly unlikely, especially since *the Yankees made a legally binding commitment in 2006 to remain in The Bronx*. In its application for additional bonds, the Mets failed to answer the question of whether they would leave New York without the subsidies.

*Written by Good Jobs New York, January 14, 2009, for more information visit [www.goodjobsny.org](http://www.goodjobsny.org) or contact Bettina Damiani 212.721.7996 or Allison Lack 212.721.4865*