

6/11/09

Dear Colleagues,

In the course of The Great Baseball Debate, I am happy to see attention focused on the Lents neighborhood, and discussion of appropriate uses of urban renewal money for creating jobs, housing, and revitalization. I am glad proponents and opponents of the proposed baseball stadium are considering the relative value of public and private uses of parks, preservation of trees, and neighborhood livability.

The Beavers' stadium would be a nice amenity for Lents, where many love baseball, from Little League to Major League. However, the proposal for the stadium in Lents Park falls short of the MLS Task Force's recommendations.

- Open space and parkland will be lost

Adding a ball field at Lents Elementary does not add any park land. Upgrading the soccer fields at Lents Park and/or Marshall High School, while worthy goals, doesn't achieve that standard, either. New parkland in Lents, a parks deficient area, must be identified, purchased and upgraded as part of the cost of building a stadium. Even then, the loss of 30 - 170 mature trees is a heavy price to pay within a Portland City Park.

- Other economic development improvements will be delayed or eliminated

While \$42.3 million is the stadium cost charged to the Lents URA, the true cost, including costs of issuance and establishment of a reserve fund required by bond covenants, is \$46.9 million. In addition, we will pay an estimated \$37 million interest on the \$47 million borrowed, resulting in a total cost of nearly \$85 million for the baseball stadium alone. Using millions of dollars in Tax Increment Financing funds for a AAA baseball stadium will cause serious impacts to other project needs in the Lents Urban Renewal Area. Some will be delayed, others will never be funded. There will be immediate and on-going impacts on homebuyer assistance programs and business redevelopment grants. Development of the Freeway Lands property is perhaps the greatest opportunity for job growth in the Lents area; building a baseball stadium will delay development of this 100 acre site until 2017. Lents cannot wait that long for year-round, family wage jobs.

- The General Fund will be exposed to risk

Providing a \$15 million loan to the Lents URA is the same as using General Fund resources to fund the stadium. This is a fundamental violation of the promise at the beginning of this process, that there would be no impact to the General Fund. Lending the district an additional \$15 million will require a waiver of current City financial policies and will result in repayment five years or longer in the future. The \$15 million would be backed by a pledge of General Fund revenues, and the General Fund would be at risk if tax increment revenues failed to be realized. With the publicly-owned stadium providing no tax increment itself, this is a significant concern.

The proposal has other concerns for Lents neighbors. Walker Stadium is a great community asset, available to the public every day during the summer. The new stadium will host Beavers games on 72 of the 150 days from early April through early September.

Current users of Walker Stadium will find availability greatly diminished, with likely fee increases.

Parking at Lents Park is a significant problem, even now. Adding a 6500-9000 seat stadium would bring thousands of additional cars into the neighborhood for games or concerts. Marshall High School and Eastport Plaza will likely be considered too distant from the stadium, and they do not provide public parking. Is Lents ready for metered parking, like the area around PGE Park?

Aside from all this, one fundamental issue has not been addressed. The owner of the sports teams has selected a building contractor with no input from the City of Portland. Those arrangements have not been made public. Alternative designs or bidders have not been considered. What are the taxpayers getting for \$83 million? Why not put the projects out to bid, so other contractors might offer a lower price for building and remodeling? Currently, our money would go to a sole source contract to Mr. Paulson's hand-selected construction company, with no City-imposed limit on overhead or profit margin. While the company would pick up any cost overruns, the price tag may be already considerably higher than required to build a nice stadium. Constituents have sent me information indicating other stadium projects have been done for \$15 million. How fancy is the proposed stadium, and is it what we need? Competitive bidding for the construction contracts would provide the option for savings.

I oppose any proposal that uses Portland taxpayers' money, including urban renewal funds, to build sports facilities. If the PGE renovations for soccer and construction of a modest stadium for baseball cannot be accomplished using spectator and visitor taxes, the private interests desiring professional sports teams in Portland should pay the balance.

Economic development and prosperity for current businesses and resident in Lents is poised to take off, when the Green Line light rail opens this fall. I urge the Council to stay the course on pursuing and funding priorities already chosen with Lents URA money. The shiny new baseball stadium may seem enticing, especially in a neighborhood that has lacked due attention in the past. I believe the money generated in Lents should provide family-wage jobs and home ownership assistance for the people of Lents, rather than a venue for occasional entertainment visited by residents of the rest of the region. I look forward to reading the advice of the Lents URAC in that regard, and I will continue to consider all information made available to me as this process moves forward.

Amanda Fritz
Commissioner, City of Portland