

URBAN FINDINGS

US Stadium Sitings: Communities Aren't Yet Winning

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Findings

At the turn of the 21st century, urban economic development literature established that public subsidies for stadiums yielded few economic returns for localities, even when part of urban renewal initiatives. In our study of stadium sitings from 2000 to 2022, we find that stadiums are more geographically dispersed across regions and their relocations are largely intra-metropolitan. Stadiums sitings also continue to benefit from public subsidies, face little organized contestation, and there are very few instances of community-sharing agreements. Findings illustrate the ongoing need to specify how communities materially benefit from stadium development.

1. QUESTIONS

Researchers have critiqued stadium development processes since before the turn of the century (Bradbury, Coates, and Humphreys 2023). As teams moved from smaller to central cities with significant populations (Mildner and Strathman 1997; Newsome and Comer 2000), they capitalized on municipalities competing for teams by taking public subsidies (Mason, Ramshaw, and Hinch 2008; Nunn and Rosentraub 1997). Sports stadiums were on average subsidized with \$50 million in public funds, when accounting for foregone property taxes, net public revenue, and other factors (Long 2005). These subsidies may correspond to an unrealized value of the team rather than the realized economic return of a stadium (Owen 2003). Localities that invested significant public resources in these facilities saw no economic returns in jobs per capita nor increases in income, educational levels, small business formation, and employment rates (Austrian and Rosentraub 2002; Baade 1996; Harger, Humphreys, and Ross 2016; Hudson 1999).

Downtown stadiums were oftentimes sited in disinvested areas targeted for urban renewal and faced little resident opposition (Bess 1996; Newsome and Comer 2000; Melaniphy 1996). Residents have also raised concerns around stadiums in suburbs, including transparency in the public input process, taxes, and skepticism in investing public funds into stadiums rather than other public goods (Kellison 2023). More recently, stadium development proposals incorporate nearby large urban redevelopment projects that are pushed by developers who own tracts of land, which leave behind disadvantaged residents of declining urban areas (Humphreys 2018; Rosentraub 2014).

Labor and community coalitions have succeeded at securing formal community-governed community benefits agreements (CBAs) between communities and developers to generate public benefits from stadium development. Studies of stadiums in Brooklyn, New York, Los Angeles, California, and Atlanta, Georgia, have provided critical insights into the possibilities and challenges of community-sharing approaches to equitable economic development (Propheter 2019; Rosen 2023; Saito 2012). Here, we seek to answer the following research questions: Where are stadiums being sited since 2000, and are communities capturing benefits through formal community-governed community-sharing agreements? We hypothesize that stadiums continue to be located in Central Business Districts (CBDs), in line with urban redevelopment trends, but that criticisms of publicly subsidized stadiums have led to reduced public support, as evidenced by fewer public subsidies, increased contestation, and community sharing agreements with communities.

2. METHODS

We used the Major Sports Venues and Major Sports Venues Usage datasets from the U.S. Department of Homeland Security for information on stadium locations that were built between 2000 and 2022. The data included the league, stadium capacity, team name, year built, and city where the stadium was cited. We included the following sports leagues: National Football League (NFL), National Basketball Association (NBA), Women's National Basketball Association (WNBA), Major League Baseball (MLB), Minor League Soccer (MILB), Major League Soccer (MLS), and National Hockey League (NHL). We omitted NASCAR and golf leagues since they are less dependent on sports teams. In instances of stadiums shared by multiple teams, we focus on the first team to commit to the stadium. League data also helps to understand differences based on stadium capacity. MILB and WNBA stadiums had an average capacity of 10,000 people. NHL and NBA had on average about 18,000 and 19,000 stadium capacity, respectively. MLB stadiums had the second highest capacity, with about 42,000 people, while NFL stadiums had the largest capacity with about 70,400 people.

We added variables such as stadium owner, type of owner (public, private, or mixed ownership), and percentage of funds that publicly subsidized the stadium using online searches. We also noted if teams moved from a previous city, distance from previous location, and type of location (suburb, central city, and CBD).¹ Online searches, Google News, and more than 15,000 news sources were searched using LexisNexis to identify whether local residents contested or protested the stadium before development and if formal community-governed CBAs were adopted. We define formal community-

¹ Central city was defined as a stadium within city limits but not located in the central business district, while stadiums were defined as located in suburbs when the location was outside of city limits.

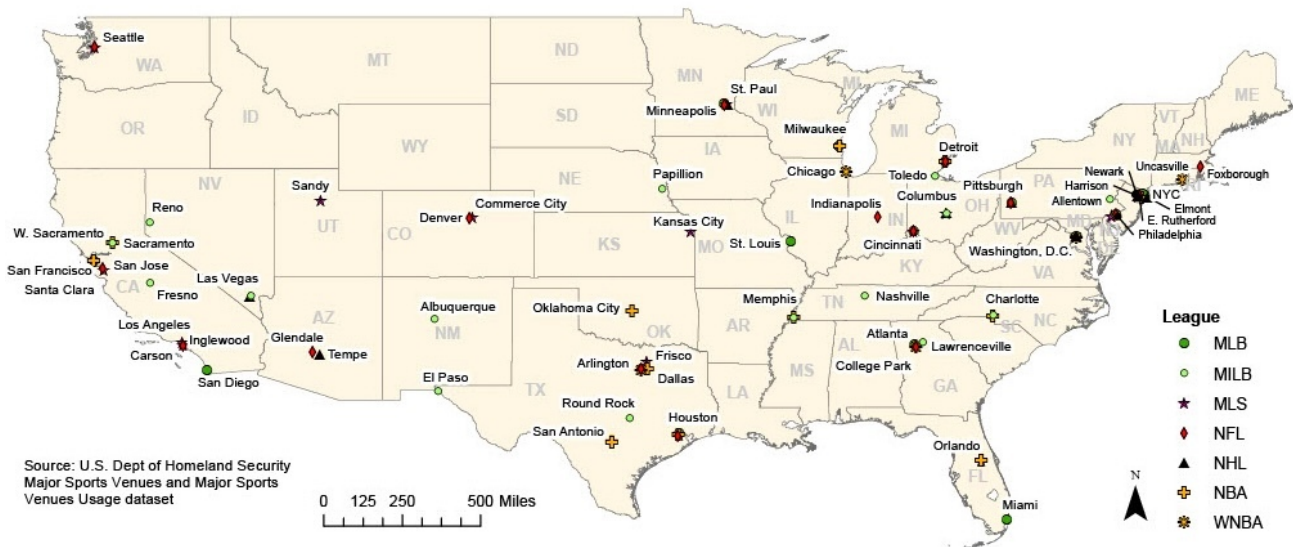


Figure 1. Map of Stadiums Built from 2000 by League

governed agreements as those in which a developer entered a contractually binding agreement and where community groups were signees and/or contractually vested with governance or oversight powers. We focus on community-based efforts because their centrality in mediating the harmful effects of traditional economic development has been well-established in urban planning scholarship. CBAs form part of that repertoire of work and are increasingly encouraged in state and federal initiatives. We then use descriptive analyses to understand where stadiums were built and identify implications for communities and economic development.

3. FINDINGS

Eight-nine stadiums were built between 2000 and 2022 (Figure 1). Nearly half of the stadiums were built in CBDs (43), while 25 were built in the central city and 21 were built in suburbs (Figure 2). There were some upticks in stadium development between 2000 and 2002, particularly in CBDs, and then a decrease in stadium development from 2003 to 2008. The NFL had the most stadiums built from the 2000s (17), followed by MLB (16), MLS (15), MILB (15), and NBA (12) (Figure 2). Seventy-eight teams moved to a new stadium location, and 71 moved within the same metropolitan region. Teams moved an average distance of 70 miles or a median distance of five miles “as the crow flies”; they mostly moved into central business districts (40), followed by central cities (21) and suburbs (17).

Stadiums continue to benefit from public subsidies. Seventy-three stadiums had some public financing. A higher percentage of stadiums built in central business districts (93%) and the central city (76%) had public financing compared to those built in suburbs (67%). On average, stadiums were publicly financed for nearly two-thirds of the total cost. Some franchises

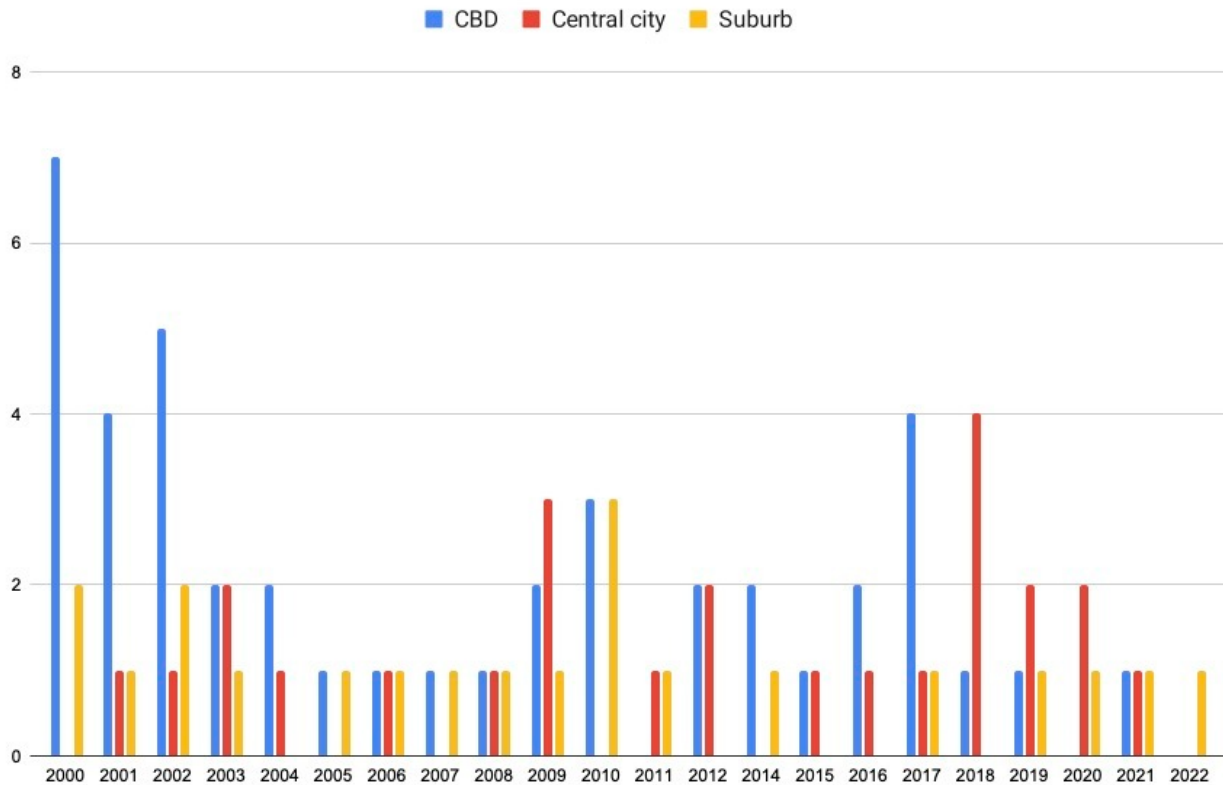


Figure 2. Stadiums Built by Year and Location

Source: U.S. Department of Homeland Security Major Sports Venues and Major Sports Venues Usage dataset.

took more advantage of public subsidy than others: all MLB stadiums were publicly financed, while nearly half of MLS stadiums were privately financed (7), compared to a third of NHL stadiums (3) and 18% of NFL stadiums (3).

Despite the public subsidies used to build stadiums, sitings face little organized opposition. Only 14 stadiums were contested (16%). Community contestation varied based on financing: three of 16 privately financed stadiums were contested compared to 11 of 73 stadiums with some public financing. Moreover, there was some variation by location—six stadiums in central cities, six in CBDs, and two in suburbs were contested. Stadiums were largely only contested when they moved from intra-metropolitan locations: 12 stadiums were contested when the stadium moved within the same region compared to 1 stadium contested when it moved to a new region. By leagues, NFL stadiums had the most community resistance (four of 17 stadiums), followed by NHL (two of nine), and MLS (three of 15).

Only five teams made formal community-governed CBAs: D.C. United (MLS), Pittsburgh Penguins (NHL), FC Cincinnati (MLS), Milwaukee Bucks (NBA), and the Brooklyn Nets (NBA). The stadium capacity of these teams ranged from 17,000 to 33,800; thus, CBAs seem to be more prevalent in smaller facilities. No CBAs were created with NFL teams, which play at the largest facilities. Targeted business and workforce requirements were

Table 1. Types of Benefits Secured in Community Benefits Agreements

Type of Benefit	Description	Number
Targeted business requirements	Minimum requirements for the percentage of local, small, and/or women-owned and/or minority-owned businesses involved in stadium design, construction, and/or post-construction economic activity on site premises	3
Workforce requirements	Minimum requirements for the percentage of local, women, and/or minority workers employed in stadium design, construction, and/or post-construction economic activity on site premises	3
Community investments	Financial and other investments in local community development projects such as economic development, education, housing, and workforce programs, and financial commitments to local community organizations or philanthropies	3
Labor terms	Regulations of employment terms for workers employed in stadium design, construction, and/or post-construction economic activity on site premises, such as minimum wage requirements for subcontractors	2
Physical amenities	Community amenities included in site development plans or promised to be built in conjunction with the stadium project, such as public spaces and parks	1

in three agreements (Table 1). Community investments were also in three agreements, and labor terms and physical amenities were included in two and one agreements, respectively.

3. CONCLUSION

Our study illustrates that communities are still not winning. Public subsidies continue to heavily finance stadium development across CBDs, central cities, and suburbs. As we hypothesized, stadiums are still predominantly built in CBDs. In addition, stadiums largely moved within the same metropolitan area, which suggests some regional stability. These intraregional moves simultaneously increase profits to the teams and players (Nunn and Rosentraub 1997), and this trend may be due to franchises' local market shares. However, we did not find evidence of declining public subsidies or increased opposition—less than a fifth of stadiums were contested and only five entered formal community-governed CBAs. Future studies can examine the impact of large-scale urban redevelopment projects that involve stadium developments and whether these real estate projects impact the balance of public investments. These findings emphasize that localities continue to subsidize stadium development with few material gains for residents. In addition, while CBAs are a sign that teams are considering how to give back to communities, they are limited because they are difficult to enforce. Consequently, examinations of informal agreements and benefits over the long term, especially in historically marginalized communities are thus warranted.

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Declaration of Conflicting Interests

The authors declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

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SUPPLEMENTARY MATERIALS

Figure 1. Map of Stadiums Built from 2000 by League

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Figure 2. Stadiums Built by Year and Location

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