THE FATE OF THE WHITE ELEPHANT:
AN EVALUATION AND ANALYSIS OF THE FACTORS WHICH
DETERMINE DEMOLITION OR CONTINUED USE OF MAJOR LEAGUE
STADIUMS AND ARENAS IN NORTH AMERICA

by
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Submitted to the Department of Urban Studies and Planning in Partial
Fulfillment of the Requirements for the Degree of

MASTER OF SCIENCE
in Real Estate Development
at the
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ABSTRACT

Over the past five years, the Baltimore Orioles and the Toronto Blue Jays of
Major League Baseball, and the San Antonio Spurs and the Phoenix Suns of
the National Basketball Association have moved into brand new stadiums
and arenas in their respective home towns, leaving their former facility
vacant. These moves prompt a question: Will the older stadium be saved or
demolished? This thesis is an evaluation of the factors which are considered
in arriving at that decision.

The four cases analyzed reveal a broad spectrum of solutions—from certain
demolition to certain retention, with two cases in between. In Toronto,
Exhibition Stadium is hardly ever used and is scheduled to be demolished in
1995. In Phoenix, there are no plans to raze the Veteran's Coliseum. Its
bookings are off only 3% since the Suns vacated. Its main use is for the
annual Arizona State Fair.

Baltimore's plans for demolition were permanently altered when a Canadian
Football League franchise signed a five year lease to play at Memorial
Stadium. In addition, the city does not have the required funds to raze the
stadium.

San Antonio is in the process of deciding whether or not to demolish the
HemisFair Arena. A decision will be made in October 1994.

The sixth chapter of this thesis is an analysis of eight factors considered in
determining whether a facility should be razed or remain in use, and includes
a determination as to which of these factors are most important, and which
ones are of secondary importance. This chapter also includes an evaluation of the validity of seven hypotheses regarding these factors.

The seventh and final chapter of this thesis is an Appendix that contains comments about the research methodology used.

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DEDICATION

I gratefully dedicate this work to my best friend and wife, Lauren. Her love, support, patience and guidance helped me through not only the writing of this thesis, but also the entire year as well.

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CHAPTER 1
INTRODUCTION

Genesis of the Issue
During the Fall of 1993, politicians, newspaper writers, professional sports personnel and other interested parties debated building a domed football stadium (the "Megaplex") in Boston. At the time, the New England Patriots, a professional football team, which plays in the National Football League (NFL) were for sale, and proponents of the Megaplex claimed that it would be necessary to keep the Patriots from moving out of the area.

The Patriots current home is Foxboro Stadium located in Foxborough, Massachusetts—a Spartan facility with metal benches located 25 miles southwest of Boston on inaccessible Route 1, a two lane road. Megaplex proponents felt that Foxboro Stadium's drawbacks would force a new owner to seek a more modern stadium in another city unless a new stadium were built.

But little attention was paid to another question, what would happen to Foxboro Stadium if a new stadium were built? Other than being ugly and poorly located, the stadium is relatively new (built in 1971) and is actually a good place to watch a football game. Would it be torn down, having lost its main tenant, or would it remain standing to host other events, like concerts and soccer matches?

The question never had to be answered. The Patriots were purchased by Robert Kraft—a native of Brookline, Massachusetts and the owner of Foxboro Stadium—in January, 1994. Kraft stated at the time that he had no intention of moving the franchise from Foxboro, and discussions of constructing a Megaplex in Boston died.

Exploring the Question
Although Boston was saved from having to answer this question, other cities in North America have had to deal with this predicament. Within the past five years, seven stadiums and arenas have been built in cities for existing franchises, leaving behind vacant facilities. The problem will soon spread to
other cities as well. In Chicago, the Bulls of the National Basketball Association (NBA) and the Black Hawks of the National Hockey League (NHL) will move into the United Center at the start of the 1994 season. In 1995, the Colorado Rockies of Major League Baseball (MLB) will move into Coors Field, and in Boston the NBA Celtics and the NHL Bruins will occupy the Shawmut Center. In 1996, the MLB Atlanta Braves will move into the Olympic Stadium currently under construction for the 1996 Summer Games.

The purpose of this thesis is to identify, evaluate and analyze the factors which determine under which circumstances demolition or continued use of the older facilities is warranted.

Before I began my research, I identified eight factors I thought would be important in evaluating this situation. In all but one case the consideration of the factors prompted an hypothesis, which I will test through my research. I now discuss the factors and, where appropriate, the hypotheses:

- **Lead Tenancy**
The vacating professional franchise was the most important financial component and was the lead tenant of the facility. To be viable, the facilities would need to replace the vacating franchise with a similar tenant—a tenant that would occupy many dates per year and sign a long-term contract, rather than to attempt to fill dates with one-time performances, such as concerts.

This leads to hypothesis H1: If a stadium or arena loses a major league athletic franchise, then it must replace the team with another major league franchise in order to improve its chances for retention. Similarly, if it does not procure another major league franchise, then the facility's chances for retention will be reduced.

- **Age**
The age of the facility would heavily impact whether it would remain. For instance, if a facility were deteriorating and required a substantial infusion of capital to be a viable venue, then it might be razed. Conversely, if the facility was structurally sound and modern, then it might be saved.
This led to the hypothesis H2: If the facility were young, then its chances for remaining would be improved. Similarly, if the facility were old, then its chances for remaining would be decreased.

- **Competition**
The arrival of a second facility would create competition for events.

Hypothesis H3 asserts: If the new stadium or arena, due to its modern features and amenities, were able to offer tenants a more attractive venue, it would procure many, if not most, of the available events.

- **Old Stadium Versatility**
In order to attract new tenants, the old stadium must be versatile enough to accommodate a wide variety of uses.

This leads to hypothesis H4: If the older stadium is versatile in accommodating a variety of events, then its chances for survival would be improved. Similarly, if the older stadium is not versatile in accommodating a variety of events, then its chances for survival would be diminished.

- **New Stadium Versatility**
The versatility of the newer stadium would likewise have an impact on its ability to attract events.

This leads to hypothesis H5, which is essentially the opposite of the hypothesis above: If the new stadium is not versatile, then the old stadium's chances for survival would be increased. Similarly, if the new stadium is versatile, then the old stadium's chances for survival would be diminished.

- **Relative Cost of Hosting an Event**
One of the facilities—either old or new—could probably afford to charge less rent for a particular event. For instance, the old facility might be able to charge less rent because it might be completely debt-free, and therefore not have to make debt service payments. Likewise, the new facility might be able to charge less rent because it might have state-of-the-art mechanical systems, and therefore be cheaper to operate.
This leads to hypothesis \( H_6 \): If the old facility could be rented for less money than the new facility, then its chances for survival are increased. Similarly, if the new facility can be rented for less money than the old facility, then the old facility's chances for retention are reduced.

- **Funds Available for Demolition**
  
The cost of demolition of stadiums and arenas could be prohibitively expensive. The lack of funds may be enough to allow a facility to stand that otherwise would be demolished.

  This leads to hypothesis \( H_7 \): If demolition were considered a possibility for a facility, and funding were available for demolition, then the chances would be improved that the facility would be razed. Similarly, if demolition were considered a possibility for a facility, and funding were not available, the chances would be improved that it would remain.

Another factor that I feel is very important, but has no accompanying hypothesis, is the facility's type of ownership.

- **Type of Ownership**
  
  Different ownership types (i.e. - Municipal government, Convention Center Authority, State government, etc.) might have different objectives that would influence the decision of whether or not to keep the facility. For instance, a city government may have more pressing financial issues than the maintenance of a stadium or arena, and may wish to see it demolished. Conversely, a Convention Center Authority may consider a facility to be a great source of revenue, as well as an ideal site for large conventions, and wish to see it retained.

In order to test these hypotheses, I have used the case study approach. I chose several cities across the United States and Canada which have had to face this issue, and I analyzed each case in the light of these hypotheses. Each case study forms a separate chapter of this thesis. At the end of each chapter, I briefly summarize the facility's fate and the factors that seem to have been most important in determining its fate.
In the sixth chapter, I compare the cases and analyze which factors encourage retention of the facility and which factors encourage demolition, determining which of these factors are most important, and which ones are of secondary importance. I also evaluate the validity of the seven hypotheses.

The seventh and final chapter of this thesis is an Appendix that contains comments about the research methodology used.

Criteria for Selection

I considered cities in all four major professional sports leagues—the NFL, the NBA, the NHL and MLB—as potential case studies. The following criteria were used to select the subject facilities.

- The franchise had to have relocated to a new facility within the same city. Situations where a franchise moves from a city, leaving it with an empty stadium, do not address the issue of two buildings competing for the same business, which is central to this study.

- The old facility had to still be in existence.
I began by assuming that existence equaled use. As my research bore out, this is not necessarily the case. In Toronto, Exhibition Stadium, the former home of the MLB Blue Jays still remains, but it is slated for demolition in 1995. On the site will be built an indoor-outdoor amphitheater.

Nevertheless, this case is still important because at the time of demolition, the stadium will have stood for nearly six years after the Blue Jays vacated. Therefore, there was a substantial history of coexistence between Exhibition Stadium and its replacement, SkyDome.

Cases where the older stadium was immediately torn down after the completion of the newer facility are of no use because they do not allow any insight into the issue of competition. I eliminated three potential case studies strictly on this criterion. In 1991, the MLB Chicago White Sox moved into a new stadium which was located across the street from their old home. The old stadium was then demolished for parking. The Utah Jazz of the NBA
moved from the Salt Palace to the Delta Center in 1991. The Salt Palace, which was part of the Salt Lake City Convention Center, was then razed to allow for more convention space. The Texas Rangers of MLB moved from Arlington Stadium into the Ballpark at Arlington at the start of the 1994 season. Like the situation in Chicago, Arlington Stadium is scheduled to be torn down beginning in July or August 1994 to provide parking for the new ballpark.

* The new facility had to have been built within the past five years. This criterion allowed for more accurate data collection. This study relied heavily on personal interviews and local newspaper articles. As most electronic newspaper retrieval systems are relatively new, their data base of articles dates back only a few years. The human memory is even less reliable. It seemed impractical to conduct telephone interviews on events that occurred before 1989 or so.

* The old facility had not already been occupied by another professional sports team or by a college team at the time of the franchise's departure. This allowed for the focus to be on facilities that have lost what I assumed to be the recurring, predictable portion of their tenancy. A stadium eliminated solely by this criterion is Cleveland Stadium. In 1994 the MLB Indians left Cleveland Stadium and moved into Jacobs Field, a brand new, baseball-only facility. The Browns of the NFL, however, will continue to occupy the older stadium.

* The old stadium had not been merely a temporary home for the franchise while a newer, permanent facility was completed. I felt it was important to study situations where a stadium or arena had lost a long-standing tenant. For example, the San Jose Sharks of the NHL played in San Francisco's Cow Palace for two years, waiting for the San Jose Arena to be completed, and the Minnesota Timber Wolves of the NBA played in the Minneapolis Metrodome for one season while the Target Center was being built. Since the franchises had no long term plans to play in the older buildings, these situations are not directly comparable to the cases I wished to consider.
Case Studies Chosen
Once I established the criteria for selecting relevant case studies, I consulted an almanac that lists all the stadiums and arenas used by the four major leagues, along with the year they were built. I considered each facility against the criteria, and found four pertinent cases. They are as follows:

- **Baltimore Orioles—Major League Baseball**
The Orioles moved from Memorial Stadium to Oriole Park at Camden Yards in 1992. They had played in Memorial Stadium since arriving in Baltimore from St. Louis at the end of the 1953 season. In 1984, the Baltimore Colts moved from Memorial Stadium to Indianapolis, so when the Orioles vacated eight years later, the stadium was without a tenant.

- **Toronto Blue Jays—Major League Baseball**
The Blue Jays moved into SkyDome in 1989, after playing in Exhibition Stadium for twelve seasons. The Toronto Argonauts of the Canadian Football League made a similar move that year, leaving Exhibition Stadium vacant.

- **Phoenix Suns—National Basketball Association**
The Suns moved into the America West Arena in 1993. Prior to this, they had played in the Arizona Veteran’s Memorial Coliseum since the team’s founding in 1968.

- **San Antonio Spurs—National Basketball Association**
The Spurs moved into the Alamodome during the 1993-94 season. They had previously played in the HemisFair Arena for twenty seasons.

Four case studies are by no means exhaustive. Indeed, each case study is unique in its outcome and in its circumstances. But taken together, the four cases provide a broad range of outcomes—from certain demolition to certain retention, with two cases in between—that allowed me to gain an understanding of the factors involved and to draw generalizations on the process.
The Problem
What factors should be taken into account in evaluating the fate of vacant stadiums? One might argue that the facility should be razed once it is no longer has a use. It is not an office building, which can lease vacant space to nearly any type of firm. Each professional league controls the number of teams, and grants each franchise a monopoly in its respective territory. Another team from that league, therefore, is forbidden from occupying the stadium and using it in a similar capacity.

Another possibility is that the facility should be kept in anticipation of attracting a different use to the site. A different sport, or a franchise from a rival league might be encouraged to come to the city if a stadium were available, and it is possible that the newer stadium built would not be conducive to that particular sport, when factors such as configuration and sight lines are considered. Some types of owners might be more willing than others to release the facility. Furthermore, the facility might be used for other sources of entertainment, such as concerts.

The four cases chosen evidence four different scenarios and solutions. Toronto has determined the best course of action is demolition and replacement. The Provincial government of Ontario will raze Exhibition Stadium and build an amphitheater in conjunction with the private sector. San Antonio is currently evaluating alternatives for the HemisFair site. Six proposals are under consideration. Three call for demolishing the arena in order to expand the convention center, and three call for retaining it, but a decision will not be reached until October 1994, after the completion of this thesis.

Baltimore has currently placed its demolition plans for Memorial Stadium on hold. The Canadian Football League (CFL) added a Baltimore franchise which began play in June of 1994. The team signed a five year lease to use the stadium as its home field. The delay is further mandated by the lack of necessary funds to raze the stadium.

In Phoenix, the Veterans Coliseum is still widely used during the State Fair, by professional ice hockey and roller hockey franchises, and for events such as
concerts. The loss of the Suns was only a minor setback for the arena. It is currently averaging 160 events per year, whereas it was averaging 165 events per year when the Suns were a tenant.

How were these decisions arrived at, and what factors seem to have been important in each case? It is to these questions that I now turn by looking at each of the four cases in detail.
Notes, Chapter 1


2 Used in this context, the city name refers to all interested parties—public and private—affected, such as the New England Patriots, the town of Foxborough, the city of Boston, and the Commonwealth of Massachusetts. This convention is used throughout the thesis for the case studies as well.


Oriole Park At Camden Yards
Camden Yards, the home of the MLB Baltimore Orioles since it opened on April 6, 1992, is the first ballpark to combine the intimacy of a baseball-only facility, the uniqueness generated by a downtown setting, and the creature comforts and revenue generating capabilities of modern stadiums.

The Orioles' front office, especially owner Eli Jacobs (who sold the team in 1993), a stadium buff who sits on several architectural planning boards, became intimately involved with the stadium's design and specifications. The club negotiated with the Maryland Stadium Authority (MSA), the state-created ownership entity of the stadium, for control of all decisions regarding the park's construction. Jacobs hired Janet Marie Smith, an architect and planner, to help the Orioles with the design of the park. She became a Vice President of the organization, one of the first women to hold such a title in baseball.

The ballpark is located just a few blocks west of downtown Baltimore and the Inner Harbor. The city skyline is just beyond the center field fence and is clearly visible from the stands. One unique feature that distinguishes the park from stadiums in other cities is the B&O Railroad warehouse, adjacent to the park in right field. The 1,000' long brick structure not only houses the Orioles offices, restaurants, souvenir shops and support services for the park, but also provides an inviting target for home run hitters.

Camden Yard's downtown location provides much greater access than the neighborhood site of Memorial Stadium, the Oriole's original home. Buses, commuter trains, and a light rail system built specifically to accommodate the park all run near the site. Also, spectators can take advantage of the more than 20,000 parking spaces located in downtown garages, and access by automobile is facilitated by the park's proximity to Interstate 395, which runs immediately adjacent to the site.
To give Camden Yards an historical feel, it was constructed with red brick and exposed steel, instead of the more commonplace concrete of modern stadiums. The park also features open archways and an old-fashioned scoreboard. As further tribute to ballparks of a bygone era, Camden Yards also features asymmetrical dimensions to the outfield wall, and a fence that varies in height from 7' to 25'.

There is no mistaking that Camden Yards is a very modern facility, however. The most tangible sign of this is the park's luxury seating. Camden Yards has 72 suites, each of which seats between 10 and 14 spectators. These are rented for $55,000 to $95,000 per year, not including the price of the tickets, which must be purchased separately. The park also has several suites that can be rented on a game to game basis as well as several party suites which can seat up to 60.

Camden Yards also offers 18,000 box seats in the lower deck between the foul poles, compared to Memorial Stadium—built in 1953—which offered only 11,000. The ballpark has over 5,000 Club Level seats, for which tickets cost $18 apiece. About 4,200 of the seats were sold with a $500 membership fee, which grants access to the Club Lounge.

Camden Yards features other modern touches such as changing tables in both the men's and women's restrooms, a Sony Jumbo TRON video display board, and a state-of-the art drainage system, which can remove 75,000 gallons of water per hour from the field of play. The park also features a modern day price tag: $204,400,000 for the stadium and the 85 acre site. The stadium cost $105,400,000 and the land sold for $99,000,000.

Camden Yards has been such a success that two similarly-styled parks opened in 1994: Jacobs Field in Cleveland and the Ballpark at Arlington in Texas. In 1995, the Colorado Rockies will move into a baseball-only facility, and Milwaukee and Cincinnati are considering stadiums in a similar vein.

The financial success of new stadiums indicates why the Orioles wanted a facility like Camden Yards and did not wish to remain in Memorial. First, the newness of the building alone tends to create a curiosity factor. The Orioles
expected season ticket sales to jump from 17,000 in 1991, the team's last year
in Memorial, to 24,000 in 1992. Similar jumps occurred in Toronto, which
opened a new stadium in 1989, and in Chicago, which opened a new park in
1991. Furthermore, revenue generated from the rent on sky boxes goes to pay
for stadium construction costs. Once the suites are paid for, the revenue will
be shared by the Orioles and the MSA. The lease for Camden Yards was
similar to the one that was in place for Memorial Stadium, and is unique for
major league facilities. Under the contract, the Orioles pay no rent, but share
equally with the MSA any profits after taxes and expenses, which includes
player salaries. The Orioles, therefore, will never be in a situation where
rental payments exceed available proceeds. The Orioles paid to the MSA

Of course, from the Orioles' perspective, what's not to like? The bulk of the
stadium was funded through the issuance of revenue bonds, and the interest
payments are financed largely from new lottery games with a baseball theme
specifically created for the purpose. As of 1992, $92,200,000 had been raised
from the lottery.

This did not sit well with all Maryland residents. According to State Senator
Howard A. Denis, a Republican from Montgomery, "That's money that's not
going into the state treasury." Denis indicated that there were other costs to
the taxpayer related to the stadium, including a $1,000,000 annual grant from
the City of Baltimore to the stadium, the additional burden of the MSA's
$1,000,000 annual payroll, and millions of dollars more in the form of a gas
tax used to fund the Baltimore's light rail system, built expressly to service the
ballpark. Denis referred to Camden Yards as "a gigantic turkey that has come
home to roost."

Moving the Orioles to Camden Yards proved to be incredibly lucrative for
Jacobs. He bought the team in 1989 for $70,000,000 and sold it last year for
$173,000,000, the greatest amount ever commanded for a professional sports
franchise. One can only assume that the strong revenue-generating capacity
of the ballpark influenced this exorbitant figure.
Camden Yards is not used extensively other than for Orioles games. The MSA is not against using it for other events, but thus far it has been difficult to schedule around the Orioles. For instance, the Authority almost booked a concert which would have taken place between Orioles home stands. The MSA decided, however, that there was not enough time between the concert and the Oriole's return to repair the field to its proper condition. Moreover, as an outdoor facility, the ballpark is not usable during the winter months. One event that will take place, however, is a mass by the Pope in October.18 Camden Yards is a beautiful baseball park, which is wonderfully suited for that sport. It is not however, a very versatile facility.

Memorial Stadium—Background and History
Memorial Stadium, Camden Yards' predecessor, emerged from the ashes of a fire during the late hours of July 3, 1944. That night the all-wooden, 12,000 seat Oriole Park, home to the minor league AAA Baltimore Orioles of the International League, burned to the ground. Even before the fire had been extinguished, Baltimore Mayor Theodore R. McKeldin offered the use of city-owned Municipal Stadium, another wooden structure. Municipal Stadium was built in 1922 and was a horse-shoe shaped football facility.19

The Orioles moved into Municipal Stadium after the league hastily approved an extended road trip, and went on to win not only the regular season title and the League championship, but also the Little World Series by defeating the Louisville Colonels of the American Association. Over the course of the memorable 1944 season, the minor league Orioles drew crowds in excess of 30,000 per game, and demonstrated to the nation that Baltimore could once again support a major league franchise. Baltimore had lost its original major league franchise in 1902 when that team, also called the Orioles, moved to New York City and became known as the Yankees.20

The success of the minor league Orioles led Rodger H. Pippen, Sports Editor of the Baltimore News-Post, to embark on a campaign to construct a roof over the seats of Municipal Stadium. The uncovered stadium left its spectators completely exposed to the elements, which made viewing an event a rather unpleasant experience, rain or shine.21
Eventually, however, Pippen felt that Baltimore’s chances of landing a major league baseball franchise were improving, and that, regardless of whether or not Municipal Stadium had a roof, it would be inadequate for major league competition. Furthermore, the wooden benches in Municipal only had a useful life of three years, and it seemed uneconomical to continue investing substantial money into a deteriorating stadium.

Pippen’s focus then shifted to building a new, modern stadium to replace Municipal. In 1947, the city approved a $2,500,000 bond issue for construction, but this funding was determined to be insufficient. A similar request was rejected by the voters the following year. The City of Baltimore decided to begin construction with the original $2,500,000, in anticipation of procuring additional funds.22

Memorial Stadium, named for those killed in both World Wars, was built on the same site as Municipal Stadium, and was constructed with concrete and brick. Because the Orioles were still using Municipal Stadium as their home field, construction of Memorial had to take place while they were playing.23 (See Figure 2-1)

By 1950, the city had completed the first deck of the stadium. That same year, another vote was taken on the bond issue and it was approved, allowing a second tier to be added.24 In all, $6,500,000 was raised for construction through the issuance of bonds. The stadium is owned by the City of Baltimore and is operated by the City Parks and Recreation Department.

Memorial Stadium’s first major league tenant was the Baltimore Colts. The Colts were founded in 1947 as a franchise in the All America Conference. They became part of the NFL in 1950 when that league absorbed the All America Conference.

The team moved into brand new Memorial Stadium in 1953, and played there for 31 seasons. In the Spring of 1984, team owner Robert Irsay moved the franchise from Baltimore to Indianapolis.25
Figure 2-1 Construction of Memorial Stadium While Municipal Stadium is Still in Use
The Colts departure was something of a shock for the fans of Baltimore. Irsay had denied his intentions to move the franchise. To emphasize his position on transient franchises, he even went so far as to cast a vote in an owners meeting to prevent the Raiders from leaving Oakland for Los Angeles in 1981. Nevertheless, he conducted negotiations with various cities eager to obtain an NFL franchise. Finally, when Irsay learned on the morning of March 28, 1984 that the State of Maryland had passed an eminent domain law that would allow the city of Baltimore to claim the Colts as public property, "[he] reacted swiftly. According to team general counsel Mike Chernoff, Irsay called his people ... and said, 'Implement. We're moving to Indianapolis.'"26

That evening, Mayflower Movers began packing the Colts headquarters. They worked through the evening, were finished by dawn, and were headed for Indiana by 6:00 AM. The Mayor of Baltimore, William Donald Schaefer (now Governor of the State of Maryland) described the sudden move as "the final humiliation. I'm trying to retain what little dignity I have left in this matter. If the Colts had to sneak out of town at night, it denigrates a great city."27

Major league baseball returned to Baltimore a few years after the founding of the Colts, in October, 1953. The St. Louis Browns relocated to Baltimore, changed their nickname to the Orioles, and began play in the Spring of 1954 at Memorial Stadium. The stadium would remain the Orioles' home field for the next 38 seasons.28 At the end of the 1991 season, the club left Memorial, not for another city, but for brand new Camden Yards.29

The Orioles departure from Memorial Stadium, however, was done with much more advance notice. Studies had been conducted as early as April 1985 (one year after the Colts moved) on modernizing the stadium, and subsequent studies explored the possibility of constructing a new stadium for the Orioles.30

On May 2, 1988, the Orioles announced that they in fact would be moving from Memorial Stadium to a new baseball-only facility at Camden Yards. Negotiations between the MSA and the Orioles had been ongoing for nearly a year.31 The Orioles lease at Memorial Stadium expired in 1990 and the team
signed a short term deal with the city which allowed them to remain in the facility until Camden Yards was completed.\textsuperscript{32}

Memorial had few other uses during the 1953-1991 period. Two annual high school football rivalries—City versus Poly and Loyola versus Calvert Hill—were played at the stadium several times each Thanksgiving.\textsuperscript{33} Also, the University of Maryland’s football team usually played one game per season there.\textsuperscript{34}

Beginning in the early 1970’s, the American Legion held a Christmas tree sale for about three weeks each holiday season in the stadium parking lot. Other than the Orioles and the Colts, the stadium was used only about three or four other dates a year.\textsuperscript{35}

Throughout its tenure, improvements were made to Memorial in order to keep it as modern as possible. In 1961, seats were added in front of the eight foot wall which separated the playing field from the grandstand, thereby increasing capacity and reducing the amount of foul territory. In 1964, the upper deck was expanded by adding two sections each at the open ends of the stadium. The improvement also included the addition of elevators to service the new sections. The original scoreboard was replaced in 1970, and in 1985 a state-of-the-art Diamond Vision video board was installed.

Methods of separating the customer from his money were also improved over time. The variety at the concession stands improved, and television screens were added so spectators could watch the game while waiting in line. Booths were also added in the concourses that sold items emblazoned with team logos, offered various forms of entertainment, and allowed fans to sign up for next year's season tickets.\textsuperscript{36}

Over the years, metal benches replaced the wooden ones, and seat backs were added to the upper deck. The city made improvements to the press box, and even added a few sky boxes on the mezzanine level.
Reasons for Replacing Memorial Stadium

The modernization of Memorial Stadium was first explored in 1985. The Stadium Modernization Committee conducted a study entitled *The Baltimore Memorial Stadium Modernization Study* (BMSMS). The objective of this study was to recommend how the stadium could be brought up to the standards of the both the Orioles, and the NFL—in anticipation of procuring an expansion franchise. [Note: The author made many attempts to obtain the BMSMS, but was unsuccessful. All information regarding the study was therefore gleaned from the Peat Marwick report referred to in the *Notes*].

Shortly after the BMSMS was published, two other studies were released that focused on the possibility of constructing a brand new stadium. The *New Stadium Site Evaluation* (NSSE) prepared for the Maryland Advisory Commission on Professional Sports and the Economy suggested that a multi-purpose stadium be constructed in the Baltimore suburb of Lansdowne. The *Baltimore Stadium Study* (BSS), prepared for the Baltimore Corporate Stadium Task Force, recommended that a multi-purpose stadium be built on the Camden Yards site, adjacent to downtown Baltimore. [I do not know either the political orientation or decision-making authority of these groups.]

On July 1, 1987, the Maryland General Assembly created the MSA. The MSA was lead by the Governor and was charged with the mission "to develop and maintain new stadium facilities..." It was granted the authority to issue both taxable and tax-exempt bonds to finance the stadium development.

The MSA hired Peat Marwick to help it with evaluating the various stadium alternatives. Peat Marwick was told to evaluate the proposals based on two points: to ensure that the Orioles would remain in Baltimore on a long term lease, and to provide the greatest chance of obtaining an NFL franchise. [Based on this mandate, Peat Marwick suggested that the Camden Yards site be chosen, but not for a multi-purpose stadium. It recommended that a baseball-only facility be built immediately, and that a football stadium could be built in the event that Baltimore landed a franchise.]

A subsequent report prepared for Peat Marwick by Hellmuth, Obata & Kassabaum, Inc., (HOK) an architectural firm with a substantial sports
facilities department, and the group that would ultimately design Camden Yards, estimated that the cost of a baseball-only park would be $134,137,000, and the cost of a football only stadium would be $67,380,000, while the cost of a multi-purpose stadium would be $175,193,000. Please note that for the baseball-only and football-only stadiums, the entire cost of land is included in the cost of the baseball park, as it would be built first, and the entire site would be acquired at that time. Based on these figures, building a baseball-only park would save the MSA over $41,000,000. This savings—assuming it were available at the time—would then be applied to the cost of a football stadium when and if Baltimore received a franchise.

Peat Marwick discounted the Lansdowne site primarily because it would require prohibitively expensive improvements to the adjacent highway system. Even if the funding were available, the improvements could not be finished in time for the opening of the stadium.

It is interesting that the MSA evaluated Memorial Stadium, even though the stadium was not under its control. Had the Peat Marwick report suggested that Memorial be refurbished, the MSA would have effectively worked itself out of a job. It is not surprising, then that the study considered it, only to reject it.

Peat Marwick found three specific problems with Memorial Stadium as a baseball facility. First, despite remodeling efforts the stadium would still have too many upper deck seats. Second, the stadium is located in an inaccessible section of northern Baltimore. This poor location discourages spectators from the Washington, DC area—which has no baseball team—from attending Orioles games, and the club wanted to take advantage of this under-served market, which is only 35 miles to the south of Baltimore. Third, the Orioles simply were increasingly reluctant to make a long term commitment to the stadium. Like all multi-purpose stadiums, Memorial is capable of handling a myriad of events, but typically cannot accommodate any particular event better than a stadium built specifically for that event.

Incidentally, it is no coincidence that Camden Yards addresses these three concerns: the park has a higher percentage of its seats in quality locations (i.e. -
between the foul poles in the lower deck), the site—located in the southwestern corner of the city—provides excellent accessibility to the Greater Washington, DC area, and finally, the Orioles—having such a prominent role in the ballpark’s development—were very much willing to make a long-term commitment.45

The Peat Marwick study does not specifically explain why the Orioles were reluctant to commit to a long term lease at Memorial, other than the fact that it is a multi-purpose stadium, with less than perfect sight lines for baseball. Certainly the other two drawbacks mentioned—lack of quality seats and poor accessibility to Washington—could also contribute to this reluctance. Interviews with the Orioles’ front office revealed that the club felt that Memorial required a total overhaul, from the electrical and sound systems to the clubhouse to the addition of luxury boxes. Management felt that the stadium was simply an "outdated ballpark."46 In other words, it was an old stadium that was showing its age.

The city and state legitimized the Orioles’ claim that Memorial was "outdated" by agreeing to replace it. The supply and demand imbalance for major league franchises dictates that if one city does not grant a franchise what it wants, another city will. The owners in each league restrict the number of franchises, and agree to expand very infrequently. For each major league, there are currently more cities that want teams than there are available franchises. Therefore, cities are very willing to lure away existing franchises with lucrative incentive packages, which usually include a new stadium.

With that brutal reality in place, and no NFL franchise to immediately satisfy, the Orioles were able to get the baseball-only facility it wanted. With the image of the Colts leaving town in the middle of the night no doubt still fresh in the minds of local politicians, the city and the state were only too willing to comply. As professional sports are as popular today as ever, it perhaps would have been political suicide to let the Orioles slip away.
Problems With Memorial

In HOK's report to Peat Marwick, it explored three renovation programs for Memorial Stadium; one as a multi-purpose stadium, another as a baseball-only stadium, and the third as a football-only stadium. Although each plan had its own specific set of improvements, there were some common issues that HOK suggested be addressed, for instance replacing all existing chairs with self-rising armchairs, refurbishing existing concrete floors, renovating the press boxes, renovating and expanding existing lavatories and concession stands, adding more elevators, adding more box seats, installing new field lighting, improving maintenance and service areas and locker rooms, and adding space for a stadium club. HOK estimated the cost of renovation at $66,131,000 for the multi-purpose configuration, $48,639,000 for the baseball-only design, and $60,680,000 for the football-only arrangement.47

Peat Marwick concluded that Memorial Stadium could possibly be refurbished to the satisfaction of the NFL, but recommended against such action for two reasons: the difference in cost between a brand new stadium ($67,380,000) and a remodeled Memorial Stadium ($60,680,000) was so small that it seemed imprudent to attempt to retrofit an existing multi-purpose stadium, especially since the competition for an NFL expansion franchise would be so great that the league might not consider a refurbished Memorial Stadium as an appropriate venue. According to the study, many NFL officials did not like Memorial Stadium when the Colts used it, and a massive renovation project might not change their feelings.48

The shortcomings of Memorial Stadium were certainly well known. In an editorial on October 6, 1991 The Washington Post noted that the stadium was a casualty of the movement toward luxury. It mentioned that Memorial's seats were too narrow and that it lacked both a restaurant and luxury boxes, which are so critical for generating revenue.49 Other accounts of the stadium recalled "the cramped clubhouses, the bare-bulbed hallways, the exposed pipes and wires, the steep, narrow ramps"50 and the fact that it had too few premium view seats and too many obstructed view seats.51

Not only did Memorial draw criticism for being too old, but it was also derided for not being old enough. According to Robert Bluthardt, Chairman
of the ballpark committee of the Society for American Baseball Research, the stadium does not "qualify as one of the classic stadiums. It's not the same league as Fenway Park or Wrigley Field or even Cleveland Municipal [which was replaced in 1994]. It's part of the transitional phase between the classic parks and the modern, circular stadiums." It was also penalized for having neither quirky, asymmetrical dimensions in the outfield wall, nor unique, memorable features, such as Fenway's 38' left field wall, or Wrigley's ivy covered fence.

Waiting for the NFL
The 1987 legislation that created the MSA also called for the creation of a Task Force to explore alternative uses for the Memorial Stadium site. The Task Force consisted of 17 members and initially met on July 5, 1988. The group then worked for two years, gathering information on the site, identifying redevelopment options, analyzing the options, devising design guidelines, and ultimately composing a final recommendation dated July 27, 1990. The recommendation was to demolish Memorial Stadium as quickly as possible after the 1991 baseball season. The report cited three reasons for this decision: the high cost of properly maintaining the stadium; the negative impact of the under utilized stadium on the surrounding neighborhoods; and the desire to redevelop the site. The report did suggest two exceptions, however. One was if a new user could be found for the stadium, and the other was as a temporary home for a new NFL franchise. The Task Force's exceptions underscore that occupancy is very important to the viability of a stadium or arena.

In September 1991, K.S. Sweet and Associates completed a specific redevelopment plan for the site. The Baltimore Economic Development Corp. had hired K.S. Sweet to conduct the analysis. The study called for a mixed use approach, primarily led by residential development similar to that found in surrounding neighborhoods. Other uses suggested were research, office and industrial projects, but only on a build to suit basis. It also suggested the development of public educational initiatives, such as the State Math and Science High School.
The NFL had originally stated that two new teams would be added in the Fall of 1992, and would begin play in the Fall of 1994. However, the league lost an anti-trust suit relating to player free agency, and decided to delay its expansion. The league revisited the issue in the Fall of 1993, and awarded franchises to Jacksonville and Charlotte, passing over Baltimore.

The NFL's delay in announcing its expansion cities initially appeared as if it was going to cause logistical problems for the concerned parties in Baltimore. In 1992, Mayor Kurt L. Schmoke had pledged to residents in Memorial Stadium's neighborhood to resolve the fate of the stadium quickly. Schmoke said, "I have an obligation to the neighbors around Memorial Stadium to move ahead with redevelopment plans if the NFL doesn't make a decision this calendar year. If they come up with another delay or deferral, that is not going to affect our plans."

Schmoke's announcement was cause for concern for the potential owners of the NFL franchise. Without the use of Memorial Stadium as a temporary home, they felt their chances of obtaining a team would be diminished. The Mayor's eagerness to raze the stadium was a bit unrealistic, however. The MSA had agreed to front the money required for the demolition of Memorial Stadium once a new football stadium was built. The Authority would then be reimbursed by the city through the sale of the Memorial Stadium real estate. The funding would only be made available if Memorial could be used until the new stadium was ready, however. If the city demolished the stadium before the MSA wished, it would have to pay for it itself, and the price of demolition would be steep. Estimates ranged between $5,000,000 and $10,000,000, depending on the presence of lead and asbestos. The city simply did not have this amount of money at its disposal. Demolition, therefore became an impossibility without the assistance of the MSA. This indicates that a stadium does in fact stand a better chance of remaining if demolition funds are unavailable.

Wilbur E. "Bill" Cunningham, a city councilman whose district includes the stadium, indicated that the neighborhood was willing to keep the stadium, as long as it was being used. He said, "A lot of plans would work for the neighborhood, but what doesn't work is no decision on an NFL team and the
stadium not being maintained properly. Again, this demonstrates that ongoing use is critical to a stadium's survival.

Memorial Stadium Uses 1992-1994
While this delay and the eventual rejection by the NFL allowed Memorial Stadium to avoid the wrecking ball, the uncertainty leading up to the Fall 1993 decision caused some events to disregard the facility as a viable option. For instance, both the City-Poly and Calvert Hill-Loyola rivalries moved to other venues after the 1992 game because of Memorial Stadium's uncertain future.60

In October of 1991 the University of Maryland expressed doubt as to whether it would continue to play one of its home games at Memorial Stadium, which it had done six times in the previous eight years. University Athletic Director Andy Geiger indicated that he was concerned that the level of maintenance at the stadium would deteriorate once the Orioles had vacated, and also indicated that the he wanted to keep all home games on campus because a $13,200,000 renovation to the University's Byrd Stadium had been completed.61

In the interim, the stadium was able to attract new tenants, however temporary they might have been. The Bowie (MD) Baysox, a minor league baseball franchise which plays in the AA Eastern League, used Memorial Stadium as its home field for the 1993 season while its new stadium was being constructed.62 In addition, the stadium was used in the filming of Major League II, a movie about baseball, in 1993.63 A walkathon, a flea market and a baseball camp were also held at Memorial. 64 These events clearly do not need a 50,000+ seat stadium setting to be effective. Nevertheless, the stadium was available, and certainly offered plenty of open space to conduct such activities. The baseball campers must have enjoyed the major league surroundings. Although these uses clearly do not qualify as "lead tenants," they filled a large void and helped the stadium generate revenue.
Current Uses for Memorial Stadium
In February 1994, an unforeseen event took place that may have permanently altered the city's long term plans for the stadium, and saved it from demolition for the foreseeable future. That month the Canadian Football League (CFL) announced that it had awarded a franchise to Baltimore, and owner James Speros signed a five year lease with the city to use Memorial Stadium as the team's home field for the June to December season.65

In 1993, the CFL made its first inroads into the American marketplace, by granting a franchise to Sacramento. The league continued its push in 1994 by placing a team not only in Baltimore, but also in Shreveport and in Las Vegas. The league also plans on adding up to four teams in United States cities for the 1995 season as well. Orlando and San Antonio are considered the favorites for this round of expansion, with Memphis, Nashville, Birmingham, Salt Lake City, Portland, Omaha and St. Petersburg also under consideration.66 Of all the American cities either with a franchise or in the running for a team, Baltimore is the most prominent in terms of major league experience, and is the only city to have ever had an NFL franchise.

Baltimore's ability to procure a CFL team was aided by the fact that the NFL did not award the city a franchise. The schedules of the two leagues are nearly identical, and it would have been difficult if not impossible to coordinate two teams using the same facility. In addition, it is doubtful if the CFL would have wanted a presence in Baltimore had the NFL chosen it as an expansion site. As indicated by the U.S. cities selected and under consideration by the CFL, the league is considering either "greenfield" sites with no NFL competition (with the exception of St. Petersburg) or cities with either one or no other major league franchises. The league clearly would like to minimize the competition for the sports entertainment dollar for its American teams.

The rejection by the NFL may have delayed the demolition for Memorial Stadium, but the presence of the CFL Colts—as the new franchise is known, much to the dismay of the NFL67—has prompted the city and state to help Speros beautify the facility. Speros estimates that the entire cost of renovation will run from $1,700,000 to $1,800,000.68 Baltimore has committed a $400,000 loan through the Department of Economic and Employment Development,
which according to Speros must be paid back by June of 1998, and the State has granted $100,000 to the efforts.

The improvements were also facilitated through donations. For instance, Bruning Paint Co. gave 90,000 gallons of blue and white paint, and will be given advertising space at the stadium in return. Other items scheduled for renovation include a modernized scoreboard, an updated sound system, and improvements to the press box, plumbing and electrical systems. Also, the concession stands have been refurbished, including new grills and ice makers.

The Colts are actively pursuing the right to host the 1996 Grey Cup, the CFL championship game, which, in addition to the team's five year lease, indicates that the stadium will stand even if the city can afford to demolish it. The long term prognosis for the stadium is definitely linked to the viability of the Colts. In the event that the team is successful, it is doubtful that the state would construct a new stadium for them. The CFL teams simply lack the following and do not generate the same level of revenue as do NFL franchises. For instance, in 1993 the nine CFL teams split a total of $5,000,000 in television revenues, while NFL teams stand to average $39,000,000 apiece for each of the 1994, 1995 and 1996 seasons. Nevertheless, if the team and the league become a significant draw, perhaps the MSA will go ahead and build the football-only stadium next to Camden Yards.

To date, the Colts have played three games in Baltimore and have done well. On June 29, 1994 about 30,000 spectators came to watch a preseason match against the Winnipeg Blue Bombers. The team played its first regular season home game on July 16, 1994. The game, which was televised on ESPN, appeared to me to be a sellout. A provision written into the Colts' lease specifies that the team cannot play home games while the Orioles are playing at home in Baltimore. This clause is to the benefit of both franchises, and may help the Colts continue to draw sizable crowds.

While events shied away from the stadium when it appeared it was under utilized, they are now returning, as the Colts' tenancy has once again made Memorial a viable alternative. For instance, discussions are underway to
move the Chesapeake Classic, a high school football all star game, to Memorial from Byrd Stadium, and Morgan State may use Memorial for its game against Grambling on September 17, 1994.\textsuperscript{76}

However, the high school games on Thanksgiving and the University of Maryland have made no plans to return to Memorial. It is possible that the high school games could one day return to Memorial, though. However, it is believed that the University's main reason for vacating the stadium was to maximize the usage of its on campus stadium, so it is doubtful if it will return.\textsuperscript{77} Other than the Colts and the annual Christmas tree sale, there are no other scheduled uses for Memorial Stadium as of this writing.\textsuperscript{78}

Speros would certainly be in favor of such activity at the stadium. He recently moved the Colts offices from downtown to the stadium to spur activity in the area, and has stated that he encourages as much use of Memorial as possible. Speros has also been active in sponsoring neighborhood charities, such as summer camps and a youth literacy movement. The added usage of the stadium as well as the charitable acts will most likely endear him to the city, which owns the stadium, and will probably help keep Memorial Stadium standing.\textsuperscript{79}

In addition to the other proposed events, the return of the NFL is always a possibility, however remote.\textsuperscript{80} Although the league has no current plans for future expansion, there is always the chance of procuring an existing team, much like Indianapolis did with the Colts. The Los Angeles Rams, for instance, have indicated that they may relocate in the near future.

**Comparison Between Memorial Stadium and Camden Yards**

At the present time, Memorial Stadium and Camden Yards can exist simultaneously because they are serving two distinct markets. Memorial was designed as a multi-purpose stadium to accommodate both baseball and football, while Camden Yards can only host baseball. Had Baltimore built a brand new, modern multi-purpose stadium (See Chapter 3 - Toronto) which could serve both football and baseball better than Memorial, its fate would most definitely be more clear cut.
Because each stadium has obvious advantages over the other, and because neither book a significant number of additional events beyond their lead tenant, the stadiums do not really compete against one another. This lends credence to the hypothesis that the more versatile the older stadium—and less versatile the newer stadium—the better the older stadium's chances for survival. At the same time, it refutes the hypothesis that the newer facility is in a better position to compete for newer tenants.

Future Outlook for Memorial Stadium
Memorial Stadium's fate is really at the mercy of the NFL and the CFL. If the NFL chooses to stay away from Baltimore, and the CFL Colts become popular, the stadium may stand indefinitely. However, if the return of the NFL prompts the construction of a new football-only stadium adjacent to Camden Yards, or the CFL fails—and/or the city can afford to demolish Memorial—the stadium will most likely be razed.

It is safe to assume that Memorial will stand for the next five years. Beyond that, it is at best a season-to-season proposition, with both the NFL and the CFL still evaluating their commitment to the city. Baltimore understands only too well how footloose professional sports franchises can be.

Memorial Stadium's Performance—Factors and Hypotheses
The Baltimore case provided strong evidence in favor of the hypotheses, supporting four, and refuting just two. There was insufficient data to draw a conclusion on one hypothesis. Below is a discussion on each factor and hypothesis (where applicable).

• Lead Tenancy
The Baltimore case most definitely supports this hypothesis. The presence of the Colts brought back revenue dollars to the city and activity back to the neighborhood. Had the Colts not played at Memorial, the stadium would have been completely vacant, and the local residents would probably be growing increasingly anxious about its fate. I feel this is the most important factor in explaining why Memorial Stadium was saved.
• Age
I feel this hypothesis was refuted by the Baltimore case. All studies and comments indicated that the stadium was not up to par with the modern facilities, and that millions of dollars would have been required to completely renovate it. Nevertheless, it remains. I feel Memorial's age had only a slight influence on the decision to retain it.

• Competition
The Baltimore case completely refuted this hypothesis. In the two years that the stadium and Camden Yards have coexisted, they have not really competed against each other, except perhaps for the Pope. As a result, I consider this factor to be of minor importance.

• Old Stadium Versatility
Memorial Stadium lends a great deal of support to this hypothesis. Because it is a multi-purpose facility, it was able to host events such as the Bowie Baysox, and ultimately the CFL Colts. Had the stadium been a single sport facility, it most likely would not have been able to attract both of these events. After Lead Tenancy, I consider this factor to be most important.

• New Stadium Versatility
Similarly, this hypothesis is strongly supported by this case. Camden Yard's baseball-only configuration gave the Colts only one reasonable venue to choose from in the city—Memorial Stadium. Camden Yards appears to be ideal for baseball, and for just that reason is not very flexible. I consider this factor as important as Old Stadium Versatility.

• Relative Cost of Hosting an Event
I was not able to fully test this hypothesis, due to a lack of data. However, one has to believe that because of the lack of debt service payments alone, Memorial can be more aggressive in its pricing than the $204,400,000 Camden Yards. Without proper data, I cannot make a determination as to the relative importance of this factor, but the hypothesis is likely borne out.
• **Funds Available for Demolition**

This hypothesis was clearly supported in the Baltimore case. If the city had the funds to demolish the stadium at its disposal, Mayor Schmoke may very well have razed the stadium immediately following the NFL's expansion decision. The lack of funds bought Memorial some time until the CFL Colts emerged as a lead tenant. I consider this factor very important in this case.

• **Type of Ownership**

Memorial Stadium's owner appeared to have a neutral effect on its outcome. The Parks and Recreation Department apparently did not take a position either for demolition or for retention. The department certainly has many responsibilities and many other problems to worry about with or without the stadium. The impression I received in talking to city employees was that the ultimate decision on the stadium would not affect them either positively or negatively, although just about everyone was pleased to see the stadium used again. I feel that this blasé attitude probably bought Memorial Stadium some time and had a relatively strong influence on the stadium's fate.

The Baltimore case is unique in that the city's plans for Memorial Stadium have clearly changed in the two years since the Orioles' departure. The stadium was slated to be razed, but now—mainly because of the tenancy of the Colts and the lack of funds for demolition—it will remain.
Notes, Chapter 2


3 Oriole Park at Camden Yards Leads Baseball into a New Era, Memorandum from the Baltimore Orioles, no author given, undated: 18.

4 It's Happening —A New Ballpark for Maryland, Memorandum from the Maryland Stadium Authority, no author given, undated, unnumbered.

5 Patricia Leigh Brown, "Field of Dreams Comes True in Baltimore," 1, 10.

6 Oriole Park at Camden Yards Leads Baseball into a New Era, 18.

7 Oriole Park at Camden Yards Leads Baseball into a New Era, 19.

8 It's Happening —A New Ballpark for Maryland,


10 Oriole Park at Camden Yards Leads Baseball into a New Era, 18, and Patricia Leigh Brown, 'Field of Dreams Comes True in Baltimore,' 10.

11 Mark Potts, "It's Built, People Will Come—But Questions Linger," 4.


15 Mark Potts, "It's Built, People Will Come—But Questions Linger," 4.

16 Mark Potts, "It's Built, People Will Come—But Questions Linger," 4.


18 Carol Salmon, Assistant Director—Maryland Stadium Authority, Personal Interview, 15 July 1994.


27 Dan Shaughnessy, "Patriots Fans Take Note—Eight Years Ago, Baltimore Lost its NFL Franchise in the Dead of the Night, and There Have Been Dark Days for Football Followers Ever Since," 47.


29 *Oriole Park at Camden Yards Leads Baseball into a New Era*, 17.


41
40 Peat Marwick, Report on Phase 1, 9.

41 Peat Marwick, Report on Phase 1, 51.


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45 Peat Marwick, Report on Phase 1, 3.


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48 Peat Marwick, Report on Phase 1, 4.


54 Final Recommendations of the Memorial Stadium Redevelopment Task Force, 1-3.


59 Mark Hyman, "The Mayor Preparing to Call Delay of Game on NFL Over Stadium: Memorial Stadium's Fate Rests Partly on Expansion Plans," 1D.

60 Bill Glauber, "The Final Feast, Poly, City Usher Out Glorious Era at Memorial Stadium in Last Thanksgiving Game," 1C.


63 Sylvia Badger, "Crowds to Fill Memorial Stadium for Major League II," Baltimore Sun, 6 August 1993, final edition, Features section: 3C.

64 Larissa Salamacha, Personal Interview 7 July 1994.


71 John Steadman, "Memorial Stadium Brushes Itself Off and Looks Great," 1D.


75 Larissa Salamacha, Personal Interview, 7 July 1994.

76 John Steadman, "Memorial Stadium Brushes Itself Off and Looks Great," 1D.

77 Fran Spero, Office Supervisor—Superintendent of Parks, City of Baltimore, Personal Interview, 11 July 1994.

78 Fran Spero, Personal Interview, 11 July 1994.
79 Larissa Salamacha, Personal Interview, 7 July 1994.

80 Larissa Salamacha, Personal Interview, 7 July 1994.
SkyDome
SkyDome, home to the MLB Toronto Blue Jays and the CFL Toronto Argonauts since its opening in 1989, is the only stadium in the world with a fully retractable roof. Although the dome is only five years old, it had been in the planning stages for a long time. In 1967, local newspapers reported that a domed facility, like the newly completed Astrodome in Houston, might be built in the city.¹

In 1969 Paul Godfrey, who would be elected Chairman of the Municipality of Metropolitan Toronto in 1971, expressed his desire to build a domed stadium in the city, and made the goal the focus of his political life.² Several more attempts were made through the 1970s and early 1980s to build a dome, but each time, the voters would not approve the public expenditure.³

However, the popularity of the Blue Jays—who began play in the American League in 1977 and have always been one of the best drawing teams in baseball⁴—only served to underscore that Exhibition Stadium, a makeshift stadium that served as the home for both the Blue Jays and the Argonauts prior to SkyDome, was inadequate and a more modern facility was needed.

Toronto's inhospitable climate also helped emphasize the need for a dome. One year, the Grey Cup Game was played at Exhibition Stadium in a driving rainstorm. Godfrey and Ontario Premiere William Davis were in attendance. Godfrey, seizing the moment to continue his pitch for a domed stadium, commented to Davis that the inclement weather was as good a reason as any to build a dome in the city.⁵

Toronto also relied on an all too common argument used by stadium proponents: recognition. The presence of Vancouver's BC Place, a domed stadium built in 1983, and domes in several American cities began to give Toronto an "inferiority complex." Furthermore, an eventual investor in the project, Canadian Imperial Bank of Commerce, felt that a domed stadium would enhance Canada's image overseas.⁶ This line of reasoning had been
invoked by other cities that built domed stadiums. All too often, however, the desire to build a lavish monument to the city, rather than a simple stadium has resulted in dramatic cost overruns.7

In 1983, Premiere Davis pledged the support of the Province to the project and asked for the help of the business community to bring the project to fruition. Trevor Eyton, a prominent Toronto businessman, led the effort to enlist corporate support.8 Eventually 27 firms pledged $5,000,000 (Canadian) to SkyDome in return for luxury suites at the stadium. Twenty-four of these companies also received preferred supplier status and an equity stake in the facility. The private sector consortium owned 49% of the Dome's equity, and the Province of Ontario owned the remaining 51%. The site of SkyDome—adjacent to the landmark CN Tower—was chosen in 1985. The facility was completed in June of 1989.9

When SkyDome opened, the Blue Jays had approximately two and a half years remaining on their lease at Exhibition Stadium, and the Argonauts had about two years left. The same entity—the Province of Ontario—controlled both facilities, and therefore amicable lease buyouts were negotiated with the two franchises.10 This most likely would not have been possible if the ownership structure were different. Either the owner of the older facility would have refused to let the franchises move until their leases had expired, or it would have exacted some sort of lease buy-out fee. Because there was no traditional competition for the two franchises, and the Province did not stand to gain by negotiating against itself, Exhibition Stadium was vacated—and rendered useless—earlier than expected.

Originally planned to be a moderately priced domed stadium, SkyDome evolved into a classic case of overspending, with the final cost ballooning to $562,800,000 (Canadian). Luxurious items such as a 365 room hotel (of which 70 rooms look onto the playing surface); a health club; 'SkyPlace'—a retail shopping area; restaurants and bars, including the largest McDonald's in North America, a Hard Rock Cafe that overlooks the field, and the Long Bar, the largest bar in the world; a sports mall with a 100 seat theater and a replica of SkyDome; and of course, the only fully retractable dome in the world, were
added to SkyDome during development by the private enterprise consortium.\textsuperscript{11}

Current estimations indicate that SkyDome is in serious financial trouble, due to the incredible overspending. According to Tony Tavares, CEO of the Louisiana Superdome in New Orleans, "They [the SkyDome consortium] got caught up in the glitter and excitement and lost sight of what [SkyDome] would look like as a business." The Province of Ontario has lost substantial amounts of money and would like the private sector to purchase its 51\% equity share of the stadium. To date, however, they have had no takers. Indeed, SkyDome CEO Richard A. Peddie feels the stadium is in an impossible situation: "Even if I had this place booked every day of the year" it would still lose money.\textsuperscript{12}

Certainly the Blue Jays are not to blame for the sorry financial state of SkyDome. They have broken the American League attendance record each season they have been in the stadium, drawing over 4,000,000 fans during the regular season each of the past three years. As SkyDome seats 53,000 for baseball, and the Blue Jays host 81 home games per year, they essentially average a sell out for the entire regular season.\textsuperscript{13} Although a portion of the huge crowds may come to marvel at SkyDome, no doubt the fact that the Blue Jays have fielded competitive teams in each of those seasons, and won the World Series in 1992 and 1993, has helped fill the stands.

Despite the grotesque cost overruns, SkyDome is—by all estimations—a truly remarkable facility. (See Figure 3-1) Its most noticeable feature—the fully retractable roof—allows great versatility in attracting events. In 1993 alone it hosted an incredible 256 events.\textsuperscript{14}

SkyDome accommodates large scale events normally associated with domed stadiums other than the Blue Jays and the Argonauts. For instance, automobile shows, "monster" truck events, track and field meets, circuses, basketball games, indoor carnivals and concerts have all used the facility. In addition, it can host events which are usually restricted to smaller indoor arenas, such as ice competitions like Disney on Ice and hockey games.
Figure 3-1  SkyDome During the 1991 Major League Baseball All Star Game
In an effort to make SkyDome more accommodating for smaller concerts and performances that do not require its 50,000+ capacity, the facility implements a configuration called "SkyTent." This set up uses an acoustical curtain to reduce the capacity to 10,000 to 30,000. (See Figure 3-2)

SkyDome has enabled Toronto to attract events it would not have been able to book at Exhibition Stadium, such as the 1991 Major League Baseball All Star Game, and it has even become an attraction in itself, drawing tourists to see its incredible features, and becoming a gathering place.

SkyDome's versatility sets it apart from all other stadiums, and it elevates the term "multi-purpose stadium" to a new level. Its retractable roof allows events that can be played outdoors, such as baseball and football, to do so in the event of agreeable weather. This is particularly inviting for baseball, which perhaps more than any other sport relies on its surroundings to enhance its atmosphere, and has been the sport least-accepted as an indoor game. New York Times architecture critic Paul Goldberger asserts, "...baseball is connected intimately to the place in which it is played and derives much of its aura from that place...The Astrodome is great for rodeos, but it is not what baseball is about." In the opinion of Steve Fainaru, sportswriter for the Boston Globe, "SkyDome's designers have accomplished what domes in Seattle, Houston and Minnesota could not: They eliminated the claustrophobic feeling of being forced indoors to view an outdoor sport."

To further enhance its versatility, SkyDome's lower deck is on tracks, which allows it to be moved to accommodate a variety of layouts. This mobility helps address the problem of different sight lines for different events. To change from the baseball configuration to the football configuration takes about ten hours. (See Figure 3-2)

This concept is not new; it was first introduced at Shea Stadium in New York City—one of the first fully multi purpose stadiums in the world—in 1964. Other stadiums across the United States, such as the Astrodome in Houston—built in 1965, Busch Stadium in St. Louis—built in 1966, Riverfront Stadium in Cincinnati—built in 1970, and Three Rivers Stadium in Pittsburgh—also built in 1970, quickly followed the format.
Figure 3-2. SkyTent, Baseball and Football Configurations for SkyDome
Nevertheless, the concept was not incorporated at Exhibition Stadium, and its lack of flexibility is one of its greatest drawbacks, particularly in comparison with SkyDome. As will be fully demonstrated in the following section, the stadium was, a retrofit of an existing stadium, and not a brand new facility. Without moveable seats, it therefore could not offer a variety of seating arrangements.

Like Camden Yards, SkyDome has preferred seating, and plenty of it. The facility has 161 luxury suites on two levels. Prices range from $100,000 to $225,000 (Canadian) depending on location and size, which ranges from 16 to 40 seats. The suites must be leased for a period of ten years.

SkyDome also has 5,800 Club Seats. Owners of the seats pay a one-time fee of $2,000 or $4,000 (Canadian) depending on the location, and then pay annual dues of $250 (Canadian) for years one through five, and $350 (Canadian) for years six through ten. The cost of tickets is not included in these fee payments. Owners of the Club Seats must purchase Blue Jays season tickets, and have the first right of refusal for all other SkyDome events. This number of preferred seats is much more substantial than at Exhibition Stadium, which only offers 28 "private boxes." 24

Exhibition Stadium—Background and History
Like Baltimore's Memorial Stadium, Exhibition Stadium was built in phases and took on several different forms over the years. The stadium sits on the grounds of the Canadian National Exhibition (CNE) in Exhibition Place Park. The CNE is an annual trade, business and industry fair that began in 1879. 25

The first grandstand was built that year and seated 5,000 spectators. It was called CNE Stadium and was used for a variety of events, including harness racing, livestock events, sporting events and fireworks displays. By 1884, the facility was used for stage shows. 26

The original grandstand was replaced in 1894 by a facility that sat 10,000 spectators. It was used for similar events as the first grandstand. In 1907, a third, larger grandstand was completed. It accommodated 16,400 spectators, and was used in the same capacity as the previous two facilities. In 1946, it
was destroyed by fire. A fourth grandstand with a capacity of 20,663 was completed two years later. It housed events such as track and field meets, automobile races and circuses. 27

The facility was expanded in 1959. Portable bleachers seating an additional 12,472 spectators were added to the south side of the stadium. With capacity now at 33,135, CNE Stadium was able to accommodate professional football. That year, the Toronto Argonauts of the CFL moved to the stadium, becoming the first professional sports franchise tenant. 28

In 1975, the stadium was renovated speculatively in anticipation of Toronto acquiring a professional baseball team. The cost of the renovation was $17,800,000 (Canadian) and was shared equally by the Province of Ontario and the Metropolitan Toronto government. The latter entity holds title to the facility. The Board of Governors of Exhibition Place manages the stadium. 29

The temporary South bleachers were razed, and a steel and concrete structure, which wrapped from the South around to the West was erected in its place. Astroturf was also installed at this time. Many safety features were added to the stadium, including the use of fire resistant materials in construction, sprinklers, lightning rods, smoke detectors, fire hoses, accommodations for police and ambulance services and emergency power systems. The North grandstand remained and provided additional outfield seating for baseball. The new stadium portion was completed in 1976, and the entire facility sat 54,264. 30 (See Figure 3-3)

In 1977, Major League baseball came to Toronto. The Blue Jays joined the Eastern Division of the American League and called the stadium at the CNE, which was officially renamed Exhibition Stadium, home. 31

Ownership made further major improvements to the stadium in 1978. The wooden seats in the North grandstand were replaced by individual plastic chairs, and the concrete structure was cleaned. A computerized scoreboard costing $2,000,000 (Canadian) was added to the Eastern (open) end of the stadium, between the grandstand and the stadium. 32
Figure 3-3  Exhibition Stadium in 1976
In addition to the Blue Jays and the Argonauts, the Toronto Blizzard of the North American Soccer League (NASL) used the stadium between 1979 and 1983. It has hosted attractions such as Super Cross events (motorcycle races performed over man made dirt tracks), concerts, an annual race car event, and an annual Caribbean Festival. At its height, Exhibition Stadium booked about 140 separate events per year. This occurred during the five year period when the Blizzard used the stadium. From 1983 to 1988, the stadium booked about 130 events per year.\(^3\)

If Toronto had been awarded the 1996 Summer Olympic Games, Exhibition Stadium would have played a major role. Plans were to expand the stadium to 100,000 seats and use it for track and field events. Toronto was unsuccessful in its bid, and the Games were awarded in October, 1990 to Atlanta.\(^4\)

Initially, the management of Exhibition Place was not opposed to the construction of a domed stadium, even though it would ultimately lure away its two main tenants. During the site selection phase, they submitted a proposal detailing why the dome should be built on the grounds of the CNE. An initial report published by the Province listed three potential sites, of which Exhibition Place was third, indicating to management that they potentially stood to lose the Blue Jays and the Argonauts. Ultimately, the CN Tower site was chosen and management realized that the teams would eventually leave and occupy the new facility.\(^5\)

**Reasons for Replacing Exhibition Stadium**

Although Exhibition Stadium was only 13 years old when it was replaced by SkyDome, it was hardly a facility designed for long term usage. In fact, Godfrey helped bring the Blue Jays to Toronto specifically to increase the economic viability of a domed stadium. He felt that the presence of a legitimate lead tenant would help improve the dome's chances of getting built.\(^6\) From the beginning, therefore, the Blue Jays had been included in the plans for a dome, and Exhibition Stadium was never meant to be their permanent home. This is a unique and clever way to justify a stadium. Typically, a city would build a stadium on a speculative basis—as Toronto did
with Exhibition Stadium and Baltimore did with Memorial Stadium—in the hope of attracting a team. Godfrey's method at least guarantees that the new facility will have a tenant, so long as the tenant is procured in the first place.

Gordon Walker, General Manager of Operations for Exhibition Place, commented that the $17,800,000 (Canadian) spent in 1975 to expand Exhibition Stadium in order to land the Blue Jays "was a stop-gap measure", and at the time the consensus was that a better, more luxurious stadium would eventually be built.37

It did not take long for Exhibition Stadium to gain a reputation as one of the worst stadiums in Major League Baseball. In Bob Wood's 1989 book entitled Dodger Dogs to Fenway Franks, he visited each of the 26 Major League baseball parks and ranked them according to eight categories. He gave Exhibition Stadium a "D-" in "atmosphere", and placed the stadium in the bottom five in overall rank.38 The quality of the sight lines was also cause for criticism. SkyDome Director of Operations George Holm said of Exhibition Stadium, "You'd come out of a doubleheader with a sore neck."39

Walker readily points out that the facility is a "bastardized stadium". As mentioned, it has no moveable seats, unlike other multi-purpose stadiums, so that it is limited to only one configuration.40 Please refer to Figure 3-3. The original grandstand is at the top (North) of the photograph, and the newer stadium portion is in the lower (West and South) portion. As can be readily seen, the lone configuration was at best a weak compromise for football and baseball. The photograph, taken during the 1976 Grey Cup, shows that a majority of the seats in the stadium section are ill suited for football. In fact, the seats in the Southwestern corner of the field are over 130' from the field, and some seats do not even angle toward the field. By comparison, the proposed football-only stadium in Baltimore specifies that the greatest distance from the stands to the field shall be 55'.41 Please refer to Figure 3-4, a conceptual drawing of the proposed stadium. As can be seen, the placement of the seats is much more uniform.
Figure 3.4
Conceptual Drawing of Football Only Stadium
Returning to Figure 3-3, it is possible to make out the baseball field of play. The infield diamond is readily visible, and the warning track adjacent to the grandstand in left field is undisturbed by the football gridiron. By following it from the left field foul pole to center field, one can detect where the track was covered to accommodate football. It becomes immediately apparent that many seats at the stadium are wholly unsuitable for viewing baseball. Half of the North grandstand extends beyond the baseball field, and about one third of the seats in the South section of the stadium do the same, leaving very few seats between the foul poles. It is not difficult to see why Walker refers to it as a "bastardized" stadium, not truly appropriate for either sport.

Exhibition Stadium had other drawbacks, according to Walker. It had few covered seats, narrow concourses, and too few bathrooms and concession stands. In order to remedy the problems with the bathrooms and concessions, space from the concourse would have had to have been taken, so it was impossible to refurbish the stadium to address all of these problems. Although Exhibition Stadium was over 20 years younger than Memorial Stadium, it seemed to have many of the same problems. It was a stadium that grew old before its time.

**Current Uses for Exhibition Stadium**

Since the opening of SkyDome in 1989, Exhibition Stadium has been used sparingly. Its only uses now are for concerts, which number about 12 per year, and as a parking lot for other Exhibition Place events. Exhibition Place hosts about 130 trade and consumer shows each year, so there is a demand for the additional parking spaces.

Exhibition Stadium simply cannot compete with SkyDome for athletic events. The stadium attempted to host a soccer match in 1991, but due to reconfigurations to the asphalt over which the Astroturf is placed, the ersatz field could not be positioned properly. One of the competing teams inspected the field two days prior to the match and refused to play. The match was canceled, the turf was removed, and has not been reinstalled since.
However, Exhibition is able to attract stock car races now that the Blue Jays and Argonauts are gone and the turf has been permanently removed. This, however, is not a significant element of its revenue.

The one event Exhibition Stadium can compete with SkyDome for is concerts. According to Walker, Exhibition is able to offer a competitive advantage in this area. He asserts that Exhibition Stadium and Exhibition Place provide a great atmosphere for concerts, with its grassy areas, park facilities and open land. Many concert-goers come hours before the shows begin to picnic, or to generally make a day out of the event. This leisurely approach to attending a show is really not an option at SkyDome. Exhibition Stadium has been successful in landing sizable shows in recent years, including the Rolling Stones, Pink Floyd and Fleetwood Mac.43

Future Outlook for the Exhibition Stadium Site
To capitalize on this competitive advantage, a multi purpose concert hall and entertainment center called the Amphi-Arena is scheduled to be built on the site of Exhibition Stadium. Demolition of the stadium is scheduled to begin in early 1995, with completion of the new facility slated for July 1, 1996.44 Demolition is estimated to cost $3,500,000 (Canadian), which will be the only public expenditure associated with the project.45

The Board of Governors of Exhibition Place issued a Request for Proposals in June 1991 for development concepts for the site. In August 1993, the Board of Governors accepted the proposal for the Amphi-Arena and began negotiations for its development.46

The board has entered into an arrangement with the Ballard-Cohl Group (BC Group), a private enterprise that will construct the Amphi-Arena and will hold a 75 year license to operate the facility.47

The Amphi-Arena will be very similar to the SkyDome in the sense that it will have a number of configurations and will be operable all year long in all types of weather. It will have four major layouts: A theater, seating 3,000 to 4,000; A concert bowl, seating 8,000 to 12,000; A year round concert and sports
facility, seating 18,000 to 22,000; And a Summer outdoor amphitheater, seating 28,000 to 32,000.\(^4\)

The facility will have a sliding wall separating it from an outdoor, grassy area. In the Summer months, the wall will be pulled back, which will give the facility its indoor-outdoor configuration.\(^5\)

Given the presence of SkyDome, with its ability to handle a myriad of events, Exhibition Stadium does not really serve a purpose any longer. SkyDome can do everything Exhibition Stadium can do, only it can do them better (with the exception of concerts, auto races, and acting as a parking lot). SkyDome's movable seats allow it to provide better sight lines for events, its additional preferred seating generate greater income, its retractable roof allows outdoor sports to be played under ideal conditions year round, and it provides accommodations for events normally restricted to smaller, indoor arenas.

The one lucrative area in which Exhibition Stadium competes with SkyDome is concerts. It therefore makes sense that Exhibition Place is capitalizing on this strength by building a facility that has the potential to be as versatile for concerts as SkyDome is for sports.

**Exhibition Stadium's Performance—Factors and Hypotheses**

The Toronto case provided even stronger support for the hypotheses than did Baltimore. It supported five hypotheses, refuted only one, and provided no data on one.

- **Lead Tenancy**

Like Baltimore, this hypothesis certainly held true, although with a different outcome. After the Blue Jays and Argonauts vacated, Exhibition could not attract recurring, predictable tenants. Indeed, it procured very few one-time bookings as well. I believe this factor was extremely important in determining Exhibition's fate.
- **Age**
  The evidence in the Toronto case does not support this hypothesis. Exhibition Stadium was only 13 years old when it lost its two main tenants and will be about 19 when it is ultimately demolished. It is without a doubt, the newest of all the "old" facilities. Because it was relatively crude stadium, perhaps it could be considered to be old before its time. Nevertheless, I feel age Exhibition's age was a minor factor in deciding to raze it.

- **Competition**
  The Toronto case wholeheartedly supports this hypothesis. Once SkyDome was on the scene, it completely devoured all potential bookings, and rendered Exhibition Stadium a glorified parking garage. I feel this factor strongly contributed to Exhibition's demise.

- **Old Stadium Versatility**
  The facts of the case are certainly in agreement with this hypothesis. Exhibition proved to be very inflexible, and once it lost the Blue Jays and Argonauts, became essentially obsolete in hosting events, as evidenced by the debacle with the soccer match in 1991. I feel this factor strongly impacted the ultimate decision.

- **New Stadium Versatility**
  Without question, this hypothesis was supported. SkyDome was designed to be a state-of-the art multi-purpose indoor/outdoor facility. As evidenced by the 256 events it hosted in 1993, it has certainly achieved success in this regard. This factor, I feel, had the greatest impact of all in this case.

- **Relative Cost of Hosting an Event**
  No data was gathered for this hypothesis, so it is impossible to gauge its influence. However, as in the Baltimore case, logic would dictate that Exhibition could be rented for less than SkyDome.

- **Funds Available for Demolition**
  This hypothesis was strongly supported. The $3,500,000 (Canadian) required for the demolition of Exhibition was readily available, and indeed, the
stadium will be razed. This factor, I believe, had a strong influence on the ultimate decision.

- **Type of Ownership**
  I feel form of ownership had a strong influence in this case. Both Exhibition Stadium and SkyDome are owned in part by the Province of Ontario. Had distinct entities owned the facilities, the Blue Jays and Argonauts certainly would not have been allowed to break their leases without penalty, and Exhibition Stadium management would have been more aggressive in attempting to book dates. The Province, however, would not wish to diligently book events at Exhibition, because that would only take business away from SkyDome—its half a billion dollar baby. The Province did not want to compete against itself, and this probably expedited the decision to raze Exhibition Stadium.

Although Exhibition Stadium is being replaced, the Amphi-Arena will allow the site to better accommodate concerts. Even in the face of the extreme competition from SkyDome, Exhibition was able to book several high profile concerts, largely because CNE Place provides a great atmosphere for such shows. The Amphi-Arena, therefore, will enable the CNE management to exploit this competitive advantage even further.
Notes, Chapter 3


9 Memorandum from SkyDome.


20 *SkyDome: Like No Other in the World*, Brochure from SkyDome, no author given, undated, unnumbered.


24 Memorandum from the Canadian National Exhibition.


26 Memorandum from the Canadian National Exhibition.

27 Memorandum from the Canadian National Exhibition.

28 Memorandum from the Canadian National Exhibition.


30 Memorandum from the Canadian National Exhibition.

31 Memorandum from the Canadian National Exhibition.

32 Memorandum from the Canadian National Exhibition.

33 Gordon R. Walker, Personal Interview, 24 June 1994, and Memorandum from the Canadian National Exhibition.

34 Memorandum from the Canadian National Exhibition.


44 Report No. 37 of the Management Committee — Proposed Amphi-Arena at Exhibition Place, unpublished, no author given, undated, 15.


46 Report No. 37 of the Management Committee, 15.

47 Report No. 37 of the Management Committee, 16, 17.

48 Report No. 37 of the Management Committee, 17.

CHAPTER 4
SAN ANTONIO

The Alamodome
As with Toronto, discussions of building a domed stadium in San Antonio date to the mid 1960s. Like Toronto, the concept gained and then lost momentum several times. In 1983 Mayor Henry G. Cisneros, as part of his reelection bid, created a plan he wished to implement for San Antonio through the end of the decade. The plan, entitled "San Antonio: Target '90" included the construction of a 60,000 seat stadium that could also be used for conventions and other events.¹

In 1984, the City Council hired consulting firms to conduct a feasibility study for a dome. The group concluded that San Antonio had reached the "critical mass" in terms of population and market size to support a 65,000 seat stadium, and that San Antonio was the largest city in the United States without a facility of at least 25,000 seats. According to the study, for major events such as large concerts and NFL games, the facility would draw patrons from within a 100 mile radius.²

Cisneros encountered great difficulty in finding a financing vehicle that was suitable to all constituents. Restaurant taxes and bond issues were considered, but were met with great resistance. In 1986, Robert Marbut, Jr., a Cisneros assistant, discovered that the local transportation authority—the VIA—was entitled to 1% of the state's 8% sales tax, but because of cash surpluses was utilizing only 0.5%. Marbut and Cisneros devised a plan that would use VIA's taxing ability for a period of five years to pay for the Dome.

Gaining approval for such financing required the approval of the VIA board, the consent of the state legislature, as well as pass in a popular election. Garnering approval for the financing was very difficult. Once the bill reached the legislature, it became known as the "Dracula" bill, because it kept dying, and reemerging.³ Nevertheless, despite other setbacks along the way the voters approved the tax appropriation in the popular election on January 21, 1989 by a 53% to 43% margin.⁴
Construction of the Alamodome ("the Dome") began in November 1990, and was completed two and a half years later. The grand opening was held on May 15-16, 1993. It is owned by the VIA, and is leased to the City of San Antonio for 99 years. Its only long-term tenant is the NBA San Antonio Spurs, which signed a ten year lease. The Spurs moved into the Dome in the Fall of 1993, at the start of the 1993-94 season. The club's former home was the HemisFair Arena, also in San Antonio, where it had played since 1973.

The Dome was built for $183,000,000, including design, management and debt service. Because the project was financed via the controversial transportation tax appropriation, and due to the political sensitivity surrounding its construction, the design team was watched closely. The City Council approved each stage of construction, for which the budget was limited to $105,000,000. This is quite a remarkable feat, given that the designers claimed the budget was about $65,000,000 less than for domes of comparable size, and in light of the huge cost overruns associated with SkyDome.

San Antonio's innovative financing has proven to be successful. The Dome was completely paid for by the Spring of 1994, and the temporary 0.5% tax appropriation has been discontinued, only five years after its implementation. The Dome is the only debt-free dome in the country.

The designers were continually exploring ways to control costs. The most tangible example of the team's ingenuity was with the structure's roof. A steel roof—used in Houston's Astrodome—would be too expensive, and a concrete dome—used in Seattle's Kingdome was not desired. Inflated roofs, used in Detroit, Syracuse, Indianapolis and Minneapolis tend to deflate, which can cause expensive damage to the interior. The team finally settled on using a suspension system, which is identical to the technology used in a suspension bridge. According to Stephen Souter, Managing Partner of the architectural firm Marmon Mok which helped design the Dome, it was the first ever non-bridge use of the technology.

The roof is suspended from cables anchored to four 314' masts, one in each corner of the building, set in 100' from the outside of the building. This was
possible because the designers did not place seats in the corners of the upper deck of the stadium. The system resulted in a roof which is much lower in profile than typical domes. This gives the building a much softer scale. Also, the towers blend into downtown San Antonio, with its skyscrapers and the 600'+ Tower of the Americas.\textsuperscript{11}

Despite the successful financing and the stringent controls on spending, San Antonio definitely fell victim to the desire to elevate its status through the dome; as did Toronto through the construction of SkyDome. The \textit{Alamodome Official Commemorative Program Book} maintains that "The Alamodome long ago ceased to be another bricks and mortar addition to the skyline or a multi-use facility. Early on it became a symbol of almost Herculean proportions, representing many of the things this community holds dear: its hopes and dreams for greatness, its pride as a historical city, its vision of a world-class future."\textsuperscript{12}

This attitude predates Cisneros. In 1977, then Mayor Lila Cockrell, was asked why the Spurs only paid $500 per game in rent at the HemisFair that season. Her response: "We have a great opportunity in this city through the gaining of national stature on the sports scene. This will help attract industry and assist our economy."\textsuperscript{13}

Cisneros' intention was to build a stadium that could be used for sports, conventions and other events. The Dome certainly has this flexibility; it has the ability to accommodate 40 different types of events.\textsuperscript{14} Seating configurations range from 5,000 to 73,200, with capacity for basketball at 32,500 and capacity for football at 65,000, with the ability to expand to 72,000 for the Super Bowl.\textsuperscript{15} (See Figure 4-1)

The Dome has seating on three decks, with 30,000 seats in the lower deck, 5,000 on the club level, and 30,000 on the upper deck. To accommodate the various seating layouts, 12,000 of the lower deck seats are retractable, which is the largest retractable seating component in the world.\textsuperscript{16}

With the seats completely retracted, the Dome's floor measures 502' x 336', which allows for 160,000 square feet of exhibit space. Under-floor grids supply
Figure 4-1 Various Alamodome Configurations
electricity, water, gas, compressed air, drainage, communications and fire protection hookups every 30 feet. In addition to the floor space, the Dome also offers 16 conference rooms on the field level. They range in size from 1,000 to 3,700 square feet.

Perhaps the Dome's most unique feature is its dual skating rinks. It is the only stadium in North America with such an amenity and is the only dome to have permanent rinks as part of its basic configuration. This is particularly beneficial for figure skating championships. While an event takes place on one rink, skaters can practice on the other. In situations where only one rink is used, competition must be suspended to allow for practice.

When the Dome is configured for an event that does not require the use of all its seating—like a basketball game or a skating competition—a curtain divides the building in half. The curtain is 80 feet high and is raised hydraulically from the floor.

As with Camden Yards and SkyDome, the Dome has a sizable luxury seating component. In fact, the club level is comprised entirely of club seats and luxury suites. The Dome has 64 suites, which range in price from $53,000 to $78,000 annually, depending on size and location. They seat 14 to 16 spectators. Both club seats and suites are leased for three to five years, and rent steps up each year. As the Spurs only need half of the Dome, the club utilizes just 32 luxury suites and 2,500 club seats.

Amenities in the suites include two television sets; one tuned to the action in the Dome and the other to another game elsewhere, and four reserved parking spaces. The club level also offers a 20,000 square foot, two-level private club with two bars, the Alamodome Sports Bar, and the more formal Top of the Dome.

During its first year of operation—May 1993 to April 1994—the Dome hosted over 90 events, 45 of which were Spurs home games. The Spurs were not originally part of the Dome's future, and agreed to occupy the building only after it was well under construction. Dome officials considered the Spurs a wonderful, but by no means essential, addition to the building's tenancy. Pre-
leasing efforts had been so brisk that they felt the Dome would be financially sound without them.\textsuperscript{22} The move has been beneficial to the Spurs. Average attendance went from a standing-room only 16,057 at the HemisFair during the 1992-93 season to 21,000 at the Dome during the 1993-94 season.\textsuperscript{23}

The Dome has also hosted two NFL pre season games—the New Orleans Saints versus the Houston Oilers, and the Dallas Cowboys versus the Oilers, and three college football games—the University of Texas versus Southern Methodist University, Texas Tech versus the University of Houston and the Alamo Bowl, a post season game.\textsuperscript{24}

In July and August, the Dome hosted the U.S. Olympic Festival figure skating competitions and ice hockey matches.\textsuperscript{25} The women’s figure skating championship drew 25,691 spectators, which was the largest attendance ever for a figure skating event.\textsuperscript{26}

On September 10, the World Boxing Council welterweight championship between Pernell Whitaker and Julio Cesar Chavez\textsuperscript{27} drew over 65,000 spectators, with over 28,000 tickets sold within the first nine days of availability.\textsuperscript{28} Because of the strong showing, boxing promoter Bob Arum planned on staging two championship bouts at the Dome in February of 1994.\textsuperscript{29}

Other events have included a Paul McCartney concert on May 29,\textsuperscript{30} Skate America, a figure skating competition in October\textsuperscript{31} and the San Antonio Thrill Show, an automobile stunt show in November.\textsuperscript{32}

In the future, management hopes to attract other events, that can take advantage of the Dome’s versatility, such as motocross races, tractor pulls and home, boat and sports shows.\textsuperscript{33}

\textbf{HemisFair Arena—Background and History}

The HemisFair Arena was completed in 1968, along with the adjoining San Antonio Convention Center, in preparation for the San Antonio World’s Fair, HemisFair ’68.\textsuperscript{34} Both the arena and the Convention Center are owned and operated by the Convention Center Authority. (See Figure 4-2) The San
Figure 4-2  Map of the San Antonio Convention Center
Antonio Spurs, then of the American Basketball Association (ABA) moved into the arena in 1973. The Spurs, founded in 1967, had played in arenas in Dallas, Ft. Worth and Lubbock before moving permanently to San Antonio.\textsuperscript{35}

The Spurs became members of the NBA in 1976, along with three other ABA franchises, the Denver Nuggets, the Indiana Pacers and the New Jersey Nets.\textsuperscript{36} Because of debt obligations incurred from the old league and entrance fees charged by the NBA, the Spurs lost $2,400,000 during their first two seasons in the league. In an effort to generate greater revenue, the Convention Center added an additional 5,415 seats to the HemisFair at a cost of $3,700,000.\textsuperscript{37} The expansion increased the capacity of the HemisFair from its original 10,446 seats to 15,861 seats.\textsuperscript{38} A new second tier was added to accommodate the extra seating. Columns were required to support the new deck, which created obstructed views in the lower level.

In addition to Spurs games, the HemisFair Arena was also used for many other events, such as boxing matches, religious gatherings, large conventions, concerts, cheer leading competitions, awards ceremonies, graduations, rodeos, horse shows, auditions, karate performances, arena football games, car shows, movie productions, the National Wheelchair Games and wrestling matches.\textsuperscript{39}

The 1992-93 season was the Spurs last in the HemisFair. The team moved to the Dome at the beginning of the next season.

\textbf{Current Uses for HemisFair Arena}

The HemisFair is still used for concerts, conventions, as well as other events. Some performers prefer the smaller HemisFair to the cavernous Dome. Musicians such as Michael Bolton, Gordon Lightfoot and Depeche Mode have all chosen HemisFair over the Dome.\textsuperscript{40}

Thus far for Fiscal Year (October to September) 1995, there are 15 events scheduled, comprising 42 days. This includes eight conventions, spanning 36 days, two concerts, and five other events: a fund-raiser, a religious crusade, a girl scout fair, a musical festival and a graduation.\textsuperscript{41}
In addition to these firm commitments, there are 60 tentative dates for a variety of events (it is too early to know how many days these events will actually span). If, in fact, these dates are booked, the HemisFair would be occupied for 102 events in FY 1995. This total would surpass the event bookings for the previous four Fiscal Years. The arena booked 94 events—spanning 128 days—in FY 1991, 93 events—spanning 143 days—in FY 1992, 81 events—spanning 135 days in FY 1993 and 49 events spanning 122 days in FY 1994.42

The arena already has eight dates, spanning 50 days, committed for FY 1996, with another 38 potential bookings. Given that the start of FY 1996 is well over a year away, it can be reasonably assumed that the eventual figure will be much higher, and most likely will resemble the figures of the recent Fiscal Years.43

Comparison Between HemisFair Arena and the Alamodome
The HemisFair and the Dome are so different that there simply is no comparison between the two facilities. The HemisFair is a 26 year old, 15,800 seat arena, and the Dome is a brand new, 65,000 seat indoor stadium capable of handling a myriad of events.

Because the two facilities are so different, Convention Center authorities generally do not view the Dome as a competitor. It was felt that the two buildings would be competing for two totally different markets. In fact, the Convention Center considered the Dome an asset because it gave the city additional convention space, which it desperately needed. Tourism is the second largest industry in San Antonio, and conventions comprise a significant portion of the tourist trade. Furthermore, the Dome would allow events to come to San Antonio that could not before—such as the NFL games and the Paul McCartney concert.44

The only drawback was losing the Spurs, which generated 45 guaranteed dates for the HemisFair. Even so, this loss created an opportunity. With the arena now available on a more regular basis, the Convention Center was able to book large conventions that could utilize the space. In addition, events could now be booked on relatively short notice. Many large conventions have to
book space as many as ten years in advance. However, with the rather sudden availability of the HemisFair, the Convention Center can now book these events as short as two years in advance. 45

Future Outlook for HemisFair Arena

A major expansion is in the planning stages for the San Antonio Convention Center. Plans call for adding a second level to the structure and refurbishing half of the existing space. Construction is slated to begin in 1996 and should take about two and a half to three and a half years to complete. The current budget of the project is estimated at $140,000,000. It will be financed through an increase in the hotel/motel tax from 13% to 15%, which went into effect on January 1, 1994. The expansion is needed to keep up with the intense demand for convention space in the city. 46

The final plan for the project has not yet been selected. There are six plans currently under consideration. Convention Center management plans upon making a recommendation to the city council in late September 1994, with the final decision to be made in October. 47

A casualty of the expansion may very well be the arena. Of the six expansion possibilities, three call for keeping it and three call for razing it. Part of the reason for removing the arena is geography. The Convention Center sits on the Southeast corner of the intersection of Alamo and Market Streets, and is surrounded on three sides by barriers. To the North is the San Antonio Riverwalk, to the West is a Hyatt Hotel and the continuation of the Riverwalk, and to the South is a number of historical buildings. The only alternative is to expand to the East, and the arena lies directly in this path. 48 (See Figure 4-2)

An added advantage to heading East is that the Alamodome lies in that direction. Eventually, the two facilities could be physically linked, even though this is not part of the current expansion plan. If it were to occur, it would not happen until 2030, or so. 49

Ideally, the Convention Center management would like to retain the HemisFair, and upgrade it to accommodate conventions, concerts and other
events that would use it. However, the demand for other types of
convention space even exceeds demand for the arena, and increasing
convention facilities must be the priority of the expansion. If the arena had a
major tenant—like the Spurs—the decision to keep it would be rather
straightforward. If the HemisFair is in fact demolished, it will be to address
the more immediate concern of a lack of convention space, and not because it
is underutilized.

The San Antonio Convention Center finds itself in an enviable situation,
with demand strong for both convention space and arena usage. It appears,
however, that they may have too much of a good thing. To accommodate the
sorely needed convention space, the arena may have to be demolished due to
a lack of room. Of the six plans currently under consideration for expansion,
certainly Convention Center management will recommend one that will
attempt to satisfy both needs. If the convention expansion cannot occur
without removing the HemisFair, then the arena is certain to be razed.

The departure of the Spurs clearly did not initiate discussions for the razing of
the HemisFair; but now that the building has lost 45 predictable, recurring
dates each year, demolition is certainly an option, especially when the
demand for additional convention space is so high. Although the HemisFair
is currently as busy as ever, there is a benefit to having one tenant comprise
the majority of arena events, as was the case with the Spurs.

HemisFair Arena's Performance—Factors and Hypotheses
Drawing conclusions is rather tricky in the San Antonio case, because the
final decision on the fate of the HemisFair Arena is still pending. In the
event that it is demolished, there will have been solid support for the
hypotheses. The case will have supported four hypotheses, refuted two, and
have been unable to provide data on one. However, In the event that it is
retained, there will have been little support for the hypotheses. It will have
supported only one hypothesis, refuted four, and have been unable to
provide data on one. In addition, one hypothesis will have not been
applicable to the case.
• Lead Tenancy
If the arena is razed, this hypothesis will be supported. Although activity at the HemisFair has not changed appreciably since the Spurs left, Convention Center authorities definitely indicated that if the Spurs were still a tenant, the issue of demolition would not even be considered. This could be mere speculation on a moot point, however. Nevertheless, if the arena is demolished it could indicate that a single tenant on a long term lease which occupies multiple dates is worth much more to an arena than an equal number of dates comprised of a series of one-time events. If the arena is razed, clearly this factor will have been of tremendous importance.

If the arena remains, then the hypothesis will have been refuted. It will indicate that an arena does not need the security of a long-term, good-credit lease to survive. It surely has to be more work to book 45 individual dates rather than sign one contract with an NBA franchise, but may not be any less profitable. If the HemisFair remains, then this factor will obviously have little impact.

• Age
This hypothesis may have been supported if the arena is razed, and will have been refuted if the arena is saved. The 1978 expansion of the HemisFair left some first deck seats with an obstructed view of the court, which is definitely not desirable. This is not really a function of the building's age, however. Regardless of outcome, I feel this factor will have been of minor importance.

• Competition
In either the event of demolition or salvation, this hypothesis is mildly refuted by this case. Although the Dome has been able to attract a wide variety of events, and was able to lure away the Spurs, the HemisFair was able to hold its own in the face of this competition. It was able to procure more conventions once the Spurs left, and some musical performers preferred its intimate setting over the Dome. It should also be noted that many of the events that the Dome has been able to attract, like football games, could not have been accommodated in the HemisFair anyway. This factor will have little impact on the ultimate decision.
• Old Stadium Versatility
If the HemisFair remains, this hypothesis will have been supported, and if it is demolished it will have been soundly refuted. The arena has been able to host a great variety of events, and has been particularly successful in the one year period since losing the Spurs. If it remains, its ability to accommodate many events will strongly influence the decision. If the HemisFair is demolished it will not be for its lack of versatility. In that case, the factor will be of minor importance.

• New Stadium Versatility
This hypothesis will be refuted if the HemisFair remains, and will be supported if it is razed. If the HemisFair is demolished, the Dome's tremendous versatility—dual ice rinks, retractable seating, etc.—will allow it to accommodate just about every sporting and entertainment event that frequented the arena. The Dome's ability to host many events will have a major impact on the decision.

If the HemisFair is retained, clearly this factor will have been of minor importance.

• Relative Cost of Hosting an Event
As with the other cases, a lack of data precluded me from making a conclusion on this hypothesis. Unlike the Baltimore and Toronto cases, it is probably unwise to infer that the HemisFair is cheaper simply because it is older. The Alamodome, after all, is entirely debt-free, and most likely can offer very competitive rates for its space.

• Funds Available for Demolition
As evidenced by the $140,000,000 budget for the Convention Center expansion, the funding is clearly available for demolition. If the HemisFair is razed, this hypothesis will be clearly supported. Yet, I feel the factor will have only a minimal impact on the decision. With such a tremendous budget, money hardly appears to be an issue. Obviously, if the HemisFair remains, this factor will not be applicable.
• Type of Ownership
The Convention Center Authority is thoroughly analyzing its options in an effort to make the best business decision possible. They realize that their ultimate decision could have serious impacts on the future of the San Antonio tourist industry for many years into the future. It is totally unlike the Baltimore situation where there was a sense of indifference from ownership as to what happened to Memorial Stadium. I feel this factor is the most important in ultimately determining the fate of the HemisFair.

The decision before the Convention Center Authority regarding the fate of the HemisFair is a highest and best use issue: should the site remain a successful arena or does the demand for new convention space dictate that the HemisFair be razed? Despite all the factors under consideration, the situation in San Antonio comes down to this one issue.
Notes, Chapter 4


18 Alamodome Brochure.


31 John Powers, "At 13, Kwan is a Little Girl With Big Dreams," 77.


33 Alamodome Brochure.


41 HemisFair Arena, Schedule of Events, FY 1995.


43 HemisFair Arena, Schedule of Events, FY 1996.


CHAPTER 5
PHOENIX

America West Arena
America West Arena, home of the Phoenix Suns of the NBA, opened in 1992. The arena is similar to SkyDome and the Alamodome in that it spent many years in the planning stages before actually being built.

America West was the brainchild of Jerry Colangelo, the President and CEO of the Suns. Colangelo has been involved with the franchise since its inception in 1968. He moved to Phoenix from Chicago to become the team's general manager. At 28, he was the youngest in the league. Colangelo has also coached the team, and in October 1988 he led an investment group that purchased the team for $44,500,000. He then became President and Chief Executive Officer. ¹

A long-standing dream of Colangelo's was to build an arena specifically for the Suns. Through his tenure in the NBA, he has visited every major arena in the United States, in addition to facilities all over the world. He constantly took notes on these buildings; jotting both good points and bad points. Over time, he created an image of the facility that he wanted for the Suns. ²

Colangelo seized the opportunity when he gained control of the franchise in 1988. At this time the city of Phoenix was in the midst of creating a plan to revitalize downtown. Colangelo went to the city to propose that the new arena become the focal point of the renewal, and that the city and the Suns become partners in the deal. The plan met with considerable resistance from the city council. At the time the Suns were not filling their existing home, the Arizona Veteran's Memorial Coliseum. During the 1987-88 season, the Suns won only 28 games while losing 54, and it was difficult to demonstrate the need for the new building. ³

The Mayor of Phoenix at the time, Terry Goddard, however was supportive of the idea, and the Suns' popularity increased tremendously as the result of a 55-27 season in 1988-89, the third greatest turnaround from the previous season in the history of the NBA. Colangelo felt that the Suns' strong
showing that year was the turning point for the arena. He then created an innovative partnership between the Suns and the City of Phoenix to build the arena.\(^4\)

The city and the Suns eventually agreed on a unique financing package in which the franchise guaranteed that no general tax funds would be used. The city contributed the 11 acre site, which was valued at $11,000,000. The two groups then split the $90,000,000 construction cost, with the city's share capped at $35,000,000. This money was generated through the sale of bonds, which were guaranteed by an excise tax on hotel rooms and rental cars. This shifted the burden onto tourists, rather than onto citizens of the area.\(^5\)

The Suns then signed a 40 year lease to use and operate the building. The city retained ownership of the land, obtained title on the building, and receives 70% of the net revenue, after debt service and operating expenses, for 30 years. The Suns receive the remaining 30%.\(^6\)

The city's share of the revenue is estimated at $25,000,000 annually.\(^7\) Assuming this figure remains flat over the life of the 30 agreement (an unrealistically conservative estimate, to be sure), the city stands to reap a 54.35% return on its original $46,000,000 investment.

Colangelo's goal was to create a building that was designed primarily for basketball, but could also accommodate other events. He learned through his years of research that most arenas are configured around a hockey rink, which is typically the largest open space needed. Seats for basketball are then filled in around the perimeter, which results in poor views from those locations. He realized, however, that in order for the arena to be financially successful, it would have to be used for more events than just Suns games. The end result was an arena that Colangelo describes as "intimate and flexible".\(^8\)

Construction began in August 1990, and was completed in June 1992. The building is named the America West Arena because the naming rights were sold to Phoenix-based America West Airlines for a period of 30 years for $26,000,000. These funds helped in financing the project.\(^9\)
Among America West's many features is the ubiquitous preferred seating. It has 88 luxury suites on two levels. The suites are located beyond row 31, between the lower and upper bowls, and seat from 12 to 14 spectators. Each suite is 420 square feet, has its own bathroom, concierge services, in-suite catering, membership to the semi-private in-arena Copper Club—a bar and restaurant, and tickets to a minimum of 100 arena events. The luxury boxes were pre-sold to help finance the arena. The 1,700 Club Seats are located in the six rows directly in front of the suites. Amenities include membership to the Copper Club, seat-side wait service, and, with the purchase of four tickets, parking in an attached garage.¹⁰

The 10,000 square foot Copper Club is located on the second luxury suite level, on the north end of the arena, overlooking the basketball baseline. The Club is open to the public during the day for lunch.¹¹

In order to satisfy Colangelo's desire that the arena be flexible, America West is capable of offering a variety of layouts and seating arrangements. (See Figure 5-1) Seating ranges from 19,450 for center stage concert events, basketball games and boxing and wrestling matches, to 5,700 for the Purple Palace Theater arrangement. Like SkyDome and the Alamodome, America West utilizes curtains and lighting to create a more intimate atmosphere for shows requiring fewer seats.¹²

America West also features state-of-the art mechanical systems. The arena has the only all digital television control room in the state of Arizona, and dressing rooms with computer and facsimile machine hook-ups.¹³

The arena also has a 12,000 square foot food court with five fast food restaurants, in addition to regular concession service. Like the Copper Club, the food court is open to the public for lunch.¹⁴

To help fill the America West Arena with events when the Suns are not playing, Colangelo formed Phoenix Arena Sports, Inc., which operates the Arizona Rattlers, of the Arena Football League, the Arizona Sandsharks of the Continental Indoor Soccer League, and the Phoenix Smash of World
Figures for lower bowl include floor and deck.

Figure 5-1  America West Arena Configurations
<table>
<thead>
<tr>
<th></th>
<th>Basketball</th>
<th>Hockey</th>
<th>Circus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper Bowl</td>
<td>11,500</td>
<td>1,300</td>
<td>7,000</td>
</tr>
<tr>
<td>Suites and Club Area</td>
<td>2,450</td>
<td>2,400</td>
<td>2,450</td>
</tr>
<tr>
<td>Total</td>
<td>19,450</td>
<td>17,300</td>
<td>19,450</td>
</tr>
</tbody>
</table>

Figures for lower bowl include floor and deck.

Figure 5-1  America West Arena Configurations (Continued)
Figures for lower bowl include floor and deck.

Figure 5-1 America West Arena Configurations (Continued)
Team Tennis. Combined, the three teams play 29 home games at America West during the months of May through August.\textsuperscript{15}

It is telling that these leagues—which can only be described as second-rate sports entertainment—were formed merely to fill a void, and not in response to a pent-up demand for athletic competition. The marketplace will ultimately decide whether these teams have a future in Phoenix. Indeed, the Rattlers have averaged 15,505 spectators per game over their two year history, which is second-best in the league. The Sandsharks fate, however, may not be so bright. In 1993 the league as a whole averaged only 4,912 spectators per game. There are mixed signals from the World Team Tennis. Although 1994 represents the league's 14th season, the Los Angeles Strings folded after the 1993 season, claiming that its home court, which seats 17,500, is not conducive to the sport.\textsuperscript{16} America West Arena seats approximately the same number of spectators, which may indicate that it, too, is not conducive to World Team Tennis.

In addition to the Suns and these other teams, America West also hosts other events, such as the 1995 NBA All-Star Game, ice shows, circuses, the Arizona Interscholastic Association Boys and Girls State Basketball Championships, concerts, college basketball games, truck pulls, wrestling matches, volleyball games, boxing matches and NHL games. The latter events were specifically scheduled to attract an NHL franchise to Phoenix. Four neutral site regular season games were held at America West during the 1993-94 season, with an average attendance of 12,065. Colangelo felt in order to win league approval for a franchise, an average of 12,000 would be necessary. Phoenix Arena Sports has requested six games for the 1994-95 season.\textsuperscript{17}

The arena hosted over 180 events during its first year of operation, and expected to host over 200 events during the 1993-94 season.\textsuperscript{18}

Arizona Veteran's Memorial Coliseum—Background and History
The Arizona Veteran's Memorial Coliseum ("the Coliseum") is located on the grounds of the Arizona State Fairgrounds in Phoenix; much like in Toronto where Exhibition Stadium is located on the grounds of the CNE. The Coliseum is owned by the State of Arizona and operated by the Arizona
Coliseum and Exposition Center Board, a five member committee appointed by the Governor.19

The Arizona State Fair Commission—the Board’s predecessor—first proposed the Coliseum in 1960. At the time, an indoor arena capable of accommodating sporting events, concerts, educational and cultural programs did not exist in the state. The state legislature granted approval for both construction and the sale of bonds to finance the project in 1963. Construction began in August 1964 and was completed in October 1965. The Coliseum cost $6,900,000 to build at no expense to the Arizona taxpayers. Its original capacity was 15,000, with 10,500 permanent and 4,500 temporary seats. The first event at the Coliseum was a was an ice skating show that was booked for ten days in conjunction with the Arizona State Fair.20

The Coliseum's main function was to host events, like the ice skating show, affiliated with the State Fair. It is the only facility studied in this thesis that did not consider a major league sports franchise to be its lead tenant.

The Coliseum has also hosted rodeos, livestock shows, horse shows, midget car races, tractor pulls, boxing matches, basketball games, wrestling matches, indoor soccer games, ice hockey contests, gymnastics meets and concerts.21

Over time, improvements have been made to the Coliseum. In 1981, an additional 2,000 seats were added. Current capacity is 14,471 for basketball and 13,800 for hockey.22

During the 1960's and 1970's the Phoenix Roadrunners, a hockey team affiliated at various times with the Western Hockey League and World Hockey Association, used the Coliseum as its home. In 1989, the Roadrunners returned to the Coliseum, this time with the International Hockey League.23

The Coliseum had been the Suns' home court since their inception in 1968. They would use the arena for the next 24 seasons.24 At the end of the 1992 season, the club moved into Colangelo's America West Arena.25
Current Uses for Veteran's Coliseum

Despite the loss of the Suns, the success of America West Arena and the similarity between the buildings, the Coliseum is doing as well as ever. In fact, the loss of the Suns has not been a setback, but rather an opportunity. With the 41 dates normally reserved by the club now open, it allows the Coliseum greater flexibility in booking other events. The Coliseum is anticipating 160 events for 1994, compared to 165 events before the Suns vacated.26

As mentioned, the Coliseum is unique in that its main event—in terms of seniority and priority—was, and remains, the Arizona State Fair; the Suns were never the building's lead tenant. The Fair is held during an 18 day period each October and November, and the Coliseum hosts between 18 to 20 concerts and performances over its duration.27

In addition, the Coliseum is used for other concerts during the rest of the year, as well as for livestock shows and rodeos. It also remains the home of the Phoenix Roadrunners. The Roadrunners chose the Coliseum over America West for three reasons. They were able to negotiate a better deal financially; they are now considered the main tenant—other than the State Fair, of course—and have priority in scheduling game and practice times; and finally, the Coliseum offers better sight lines than America West for Hockey.28

The Phoenix Cobras, who began play in the International Roller Hockey League in 1994,29 also chose the Coliseum over America West for this latter reason.30 Indeed, as Figure 5-1 indicates, the entire North section of America West has an obstructed view for hockey, (and for indoor soccer and arena football, which also utilize this configuration). This is a direct result of Colangelo's plan to design an arena primarily for basketball. From Figure 5-1, notice that seats must be retracted from the lower bowl to accommodate the larger hockey surface. With the rink flush against the North side grandstand, it is impossible to see that end of the rink from those seats. Had the ice been placed in the center of the arena, like the basketball floor, there would have been obstructed seats on both ends of the arena.
The Cobras only draw between 5,000 and 7,000 spectators per game, so the Coliseum offers plenty of seating. The team plays 11 home games, and their schedule runs from June through August.31

Future Outlook for Veteran's Coliseum
Unlike the other older facilities studied in this thesis, demolition is not even a consideration for the Coliseum. Its main purpose was never to house the Suns, but to host concerts and other events during the annual State Fair. Furthermore, its bookings are off only 3% since the departure of the Suns. The slight decrease hardly warrants the wrecking ball. Indeed, improvements continue to be made to the arena. Within the year, $500,000 will be spent to refurbish the building's exterior. In keeping with the trend established by newer facilities, the Coliseum will also install a curtaining system to cater to shows drawing fewer than 5,000 spectators.32

Another factor in keeping the arena is that as of June 30, 1994, it was completely debt free.33 As with all business ventures, the lack of debt certainly creates flexibility. The Coliseum, therefore, should be operational for many more years to come.

Veteran's Coliseum's Performance—Factors and Hypotheses
The Phoenix case supported four hypotheses and refuted one. Because the decision to save the Coliseum was so clear cut, one hypothesis was not applicable to the case.

- Lead Tenancy:
  This hypothesis was soundly and thoroughly rejected in this case. The assumption that a professional sports franchise had to be the lead tenant and that the team needed to be replaced in order for the arena to survive were completely disproved. The lead tenant at the Coliseum is the State Fair, and it did not vacate the premises. As a consequence, this factor had no bearing whatsoever on the fate of the Coliseum.

- Age
  This hypothesis was mildly supported in this case. Coliseum management is spending the necessary money to keep the building as modern as possible.
Also, it did not appear that the Coliseum was losing events to America West because of its age. I feel this factor had a minor impact in the decision to keep the Coliseum.

- **Competition**
There is strong evidence for both refuting and accepting this hypothesis, but I feel a better case can be made for rejection. America West has done a tremendous job of booking dates, as evidenced by the fact that it hosted 180 events in its first year of operation. However, several of these events came in the form of Phoenix Arena Sports and the Suns, both of which Colangelo controls. There really was not any competition for these events, then, and therefore they can not be used as evidence in support of the hypothesis.

The Coliseum, meanwhile, managed to hold its own in booking events. This is demonstrated by the fact that the arena showed no appreciable decrease in bookings after the Suns vacated. The arena hosted 165 events annually when the Suns were a tenant, and 160 events after their departure. Also, it was able to attract the Cobras and retain the Roadrunners due to its supremacy as a hockey venue. I feel the competition factor had just a minor influence on the decision to keep the Coliseum.

- **Old Stadium Versatility**
This hypothesis was thoroughly supported by the Phoenix case. The Coliseum's ability to offer better accommodations enabled it to land the Cobras and retain the Roadrunners. It can also host many other events and will be even more versatile in the future after it installs the curtaining and lighting system to make the building more accommodating for smaller events. I feel this factor had an extremely strong impact on the building's fate, second only to Type of Ownership (see below).

- **New Stadium Versatility**
The Phoenix case offered strong support for this hypothesis as well. Colangelo had to sacrifice versatility in order to develop an arena that was ideal for basketball. He no doubt achieved his goal, but in doing so, he built an arena that is not as versatile as the Coliseum. I feel this factor very
strongly influenced the decision to keep the Coliseum, and I would rank it right behind Old Stadium Versatility in terms of importance.

- **Relative Cost of Hosting an Event**
  This hypothesis was strongly supported by the Roadrunners' claim that they were able to get a better deal economically at the Coliseum than at America West. The fact that the Coliseum is debt-free certainly allows it to be very aggressive in its pricing, particularly for events that do not require the additional seating offered by America West. I feel this factor strongly influenced the decision to retain the Coliseum.

- **Funds Available for Demolition**
  No information is available from the Phoenix case on this hypothesis since the Coliseum's owners never considered demolition to be an option. Accordingly, the factor was not applicable.

- **Type of Ownership**
  The owner of the Coliseum—the Arizona Coliseum and Exposition Center Board—is also the building's main user, for it runs the annual State Fair. The Board surely had a very strong desire to see the building remain, so that it could continue to host a wide assortment of performances at the Fair. I feel this factor perhaps had the strongest influence on the Coliseum's outcome.

The Phoenix case is unique among the four studied in this thesis in that demolition of the Coliseum was never considered. The facility continues to be widely used, especially for the annual Arizona State Fair. This case demonstrates that a stadium or an arena can remain successful without a major league sports franchise as a tenant.
Notes, Chapter 5


2 Jerry Colangelo, President and CEO—Phoenix Suns, Address, Presented several times throughout the 1992-93 NBA season.

3 Jerry Colangelo, Address.

4 Jerry Colangelo, Address.

5 Jerry Colangelo, Address.

6 Jerry Colangelo, Address.

7 William H. Miller, "Jerry Colangelo's Place in the Sun," 74.

8 Jerry Colangelo, Address.

9 William H. Miller, "Jerry Colangelo's Place in the Sun," 72, and Jerry Colangelo, Address.

10 America West Arena Marketing Brochure, no author given, undated, unnumbered, and America West Arena News Release Fact Sheet, unpublished, no author given, undated, unnumbered, and William H. Miller, "Jerry Colangelo's Place in the Sun," 72, and Jerry Colangelo, Address.

11 America West Arena Marketing Brochure.

12 America West Arena Marketing Brochure.

13 America West Arena Marketing Brochure.

14 America West Arena Marketing Brochure.


17 America West Arena News Release Fact Sheet, and *Sports Wire: The Quarterly Newsletter of Phoenix Arena Sports.*

18 America West Arena News Release Fact Sheet, and Jerry Colangelo, Address.


20 *Arizona Veteran's Memorial Coliseum History.*

21 *Arizona Veteran's Memorial Coliseum History.*
22 Arizona Veteran's Memorial Coliseum History,

23 Arizona Veteran's Memorial Coliseum History,

24 Arizona Veteran's Memorial Coliseum History,


26 Don West, Coliseum Manager — Arizona Veteran's Memorial Coliseum, Personal Interview, 7 July 1994.

27 Don West, Personal Interview, 7 July 1994.


29 Don West, Personal Interview, 7 July 1994.

30 Bruce Wrenick, Media Relations Director—Phoenix Cobras, Personal Interview, 20 June 1994.

31 Bruce Wrenick, Personal Interview, 20 June 1994.

32 Performance Spotlight: Arizona's Event Center, Arizona Veterans' Memorial Coliseum and Convention Center, no author given, undated, unnumbered.

Determining Which Factors are of the Greatest Importance

The following table summarizes the relative importance of each factor in determining the ultimate fate of the four stadiums and arenas studied. Within each box, appears the word Major, if I felt the factor had a strong influence on the outcome (for each case, the entry for the factor I deemed to be most important is bolded); Minor, if I felt the factor had little bearing on the outcome; Ins., if there was insufficient data to determine the factor's impact; or N/A if the factor was not applicable to the case. Please note that two cases are listed for San Antonio—one which assumes that the HemisFair Arena is demolished and one which assumes that it is retained. This is done because the importance of the factors might vary depending on the final outcome.

<table>
<thead>
<tr>
<th>Case</th>
<th>San Antonio - Demolish</th>
<th>San Antonio - Retain</th>
<th>Phoenix</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Baltimore</td>
<td>Toronto</td>
<td></td>
</tr>
<tr>
<td>Lead Tenancy</td>
<td>Major</td>
<td>Major</td>
<td>Major</td>
</tr>
<tr>
<td>Age</td>
<td>Minor</td>
<td>Minor</td>
<td>Minor</td>
</tr>
<tr>
<td>Competition</td>
<td>Minor</td>
<td>Major</td>
<td>Minor</td>
</tr>
<tr>
<td>Old Std. Vers.</td>
<td>Major</td>
<td>Major</td>
<td>Minor</td>
</tr>
<tr>
<td>New Std. Vers.</td>
<td>Major</td>
<td>Major</td>
<td>Major</td>
</tr>
<tr>
<td>Cost of Hosting</td>
<td>Ins.</td>
<td>Ins.</td>
<td>Ins.</td>
</tr>
<tr>
<td>Cost of Demo.</td>
<td>Major</td>
<td>Major</td>
<td>Minor</td>
</tr>
<tr>
<td>Ownership</td>
<td>Major</td>
<td>Major</td>
<td>Major</td>
</tr>
</tbody>
</table>

Below, each factor is discussed in light of the four cases. For easy reference, each factor and accompanying hypothesis is reprinted.

- **Lead Tenancy**
  
The vacating professional franchise was the most important financial component and was the lead tenant of the facility. To be viable, the facilities would need to replace the vacating franchise with a similar tenant—a tenant...
that would occupy many dates per year and sign a long-term contract, rather than to attempt to fill dates with one-time performances, such as concerts.

This leads to hypothesis $H_1$: If a stadium or arena loses a major league athletic franchise, then it must replace the team with another major league franchise in order to improve its chances for retention. Similarly, if it does not procure another major league franchise, then the facility’s chances for retention will be reduced.

I feel this was the most important factor in saving Memorial Stadium in Baltimore. The late arrival of the CFL Colts brought stability to a potentially difficult situation. Without the team, Memorial clearly served no purpose and should have been razed. With the Colts, the revenue exists to properly maintain the facility, and the neighborhood does not have to deal with a vacant, deteriorating structure.

This factor was also important in Toronto, but in the opposite fashion. In that case, the lack of a lead tenant helped to justify the decision to raze Exhibition.

If San Antonio decides to raze the HemisFair, the lack of a lead tenant will likely be mentioned as a major contributing factor. However, if the arena is kept, it will indicate that a lead sports tenant is of minor importance for the successful operation of an arena.

This point was most evident in Phoenix. The Coliseum lost the Suns two years ago, but its annual number events only dropped from 165 to 160. The ownership of the Coliseum never considered the Suns the lead tenant in the first place; the State Fair was and remains the main tenant. The Phoenix case clearly demonstrates that an arena can survive without a major league sports franchise.

• Age

The age of the facility would heavily impact whether it would remain. For instance, if a facility were deteriorating and required a substantial infusion of
capital to be a viable venue, then it might be razed. Conversely, if the facility was structurally sound and modern, then it might be saved.

This led to the hypothesis H2: If the facility were young, then its chances for remaining would be improved. Similarly, if the facility were old, then its chances for remaining would be decreased.

Age was considered to be of minor importance in all cases. There was simply no solid evidence to indicate that age was a critical factor in determining the fates of the older facilities. It is interesting to note that Exhibition Stadium—the newest of all the older facilities—is the only one scheduled to be demolished.

- **Competition**

  *The arrival of a second facility would create competition for events.*

  *Hypothesis H3 asserts: If the new stadium or arena, due to its modern features and amenities, were able to offer tenants a more attractive venue, it would procure many, if not most, of the available events.*

Surprisingly, I determined that competition for events from the newer facility only had a significant impact on the decision to raze Exhibition Stadium. SkyDome had a clear advantage over Exhibition Stadium, and once it was built, Exhibition was barely used again.

In both Baltimore and Phoenix, the older facilities were more flexible than the newer buildings in accommodating events and therefore, competition did not impact their respective outcomes at all. In San Antonio, the HemisFair and the Alamodome are so different that they truly do not compete against each other. The only events they compete for are Spurs games, which the Dome clearly won. The other events that the Dome attracted, such as the college and professional football games, and the boxing match, could not have been held at the HemisFair in the first place.
• Old Stadium Versatility

In order to attract new tenants, the old stadium must be versatile enough to accommodate a wide variety of uses.

This leads to hypothesis H4: If the older stadium is versatile in accommodating a variety of events, then its chances for survival would be improved. Similarly, if the older stadium is not versatile in accommodating a variety of events, then its chances for survival would be diminished.

I felt that this was an important factor in all the cases, except in the event that the HemisFair is demolished. If the HemisFair is razed, it will not be for a lack of versatility. The HemisFair clearly demonstrated that it was capable of hosting a variety of events, and even with the loss of the Spurs, was able to retain a high level of occupancy. If it is kept, its versatility certainly will be one of the major reasons for doing so.

In Baltimore, Memorial Stadium's versatility was one of the strongest factors in determining its fate. Its ability to accommodate football allowed it to land the CFL Colts, and this gave the stadium the stability that the Mayor and the neighborhoods wanted.

Similarly, in Phoenix, the Coliseum's versatility strongly contributed to its fate. As a true multi-purpose arena, it was able to accommodate a variety of events associated with the State Fair. In addition, it was able to offer a setting for hockey that was superior to America West Arena.

In Toronto, the factor was important, but in an opposite fashion to the other cases. Exhibition's lack of versatility, especially in comparison with SkyDome, was glaring. Its inability to accommodate a variety of events was one of the strongest factors in determining to raze it.

• New Stadium Versatility

The versatility of the newer stadium would likewise have an impact on its ability to attract events.
This leads to hypothesis $H_5$, which is essentially the opposite of the hypothesis above: If the new stadium is not versatile, then the old stadium's chances for survival would be increased. Similarly, if the new stadium is versatile, then the old stadium's chances for survival would be diminished.

This factor had an important impact in all the cases, except if the HemisFair is saved. In Toronto, I feel SkyDome's versatility was the most important factor in the demise of Exhibition Stadium.

SkyDome is so versatile, that it essentially gobbled up every event that came to Toronto, and it did not take long for Exhibition Stadium to be rendered useless. SkyDome can accommodate just about every event better than Exhibition, and once it was built, Exhibition simply no longer served a purpose.

In Baltimore, Memorial was able to benefit from Camden Yards' lack of versatility. Camden Yards is a baseball-only facility, and by all indicators, is perfectly suited to house this sport. Other than for baseball, however, the ballpark is not used. Because Memorial Stadium is a multi-purpose facility, it was able to accommodate the CFL and would have been able to temporarily house an NFL franchise. Multi-purpose facilities rarely, if ever, accommodate a particular sport better than a facility designed specifically for that sport, but they are able to offer a wider variety of accommodations.

A similar situation existed in Phoenix. Although the America West Arena was designed with flexibility in mind, it is still primarily a basketball facility. As a result, it does not accommodate hockey very well at all. The Coliseum, on the other hand, is a true multi-purpose arena. It is not as well-suited for basketball as America West, but it most definitely is better designed for hockey. The fact that the Coliseum has two hockey tenants, while America West has none, underscores this point.

In the event that the HemisFair is demolished, certainly the presence of the Alamodome will be a major factor in reaching the decision. The Dome is capable of duplicating the services of the HemisFair, and its versatility may
allow the Convention Center Authority to raze the arena in favor of additional convention space.

However, if San Antonio keeps the HemisFair, the versatility of the Alamodome will be of minor importance. There is no disputing that the Dome is incredibly versatile, and can handle many events. But the HemisFair is versatile in its own right, and if it is kept it will be mainly due to its versatility.

• **Relative Cost of Hosting an Event**

  One of the facilities—either old or new—could probably afford to charge less rent for a particular event. For instance, the old facility might be able to charge less rent because it might be completely debt-free, and therefore not have to make debt service payments. Likewise, the new facility might be able to charge less rent because it might have state-of-the-art mechanical systems, and therefore be cheaper to operate.

  This leads to hypothesis **H6**: If the old facility could be rented for less money than the new facility, then its chances for survival are increased. Similarly, if the new facility can be rented for less money than the old facility, then the old facility's chances for retention are reduced.

As mentioned earlier, I was only able to acquire sound data for this factor in the Phoenix case, where it proved to be an important element in determining the Coliseum's fate. The Coliseum is completely debt-free, which must allow it to be extremely competitive on price. Indeed, the Phoenix Roadrunners specifically chose the Coliseum over America West because it was able to offer a cheaper rent.

• **Funds Available for Demolition**

  The cost of demolition of stadiums and arenas could be prohibitively expensive. The lack of funds may be enough to allow a facility to stand that otherwise would be demolished.

  This leads to hypothesis **H7**: If demolition were considered a possibility for a facility, and funding were available for demolition, then the chances would
be improved that the facility would be razed. Similarly, if demolition were considered a possibility for a facility, and funding were not available, the chances would be improved that it would remain.

This factor had a strong impact on the ultimate decision in Baltimore and Toronto, and a minor impact in San Antonio in the case of the HemisFair's demolition. Because the razing of these facilities can be expensive, the availability of necessary funds cannot be taken for granted.

In Baltimore, funds for demolition were not available, but Mayor Schmoke and several community leaders were pushing for demolition nonetheless. Had the money been available, perhaps Memorial would have been razed.

In Toronto, the money is available, and sure enough, demolition is scheduled to begin in 1995. If San Antonio chooses to go the demolition route, the money will most likely come from the $140,000,000 Convention Center renovation and expansion budget.

This factor is obviously not applicable in Phoenix, or in San Antonio in the event that the HemisFair is retained.

- Type of Ownership

Different ownership types (i.e. - Municipal government, Convention Center Authority, State government, etc.) might have different objectives that would influence the decision of whether or not to keep the facility. For instance, a city government may have more pressing financial issues than the maintenance of a stadium or arena, and may wish to see it demolished. Conversely, a Convention Center Authority may consider a facility to be a great source of revenue, as well as an ideal site for large conventions, and wish to see it retained.

I felt this factor was of major importance in all cases, particularly in San Antonio and Phoenix where I considered it to be the single most important factor. All the scenarios demonstrated that the particular type of ownership—from the Parks and Recreation Department in Baltimore to the Province of Ontario in Toronto, to the Convention Center Authority in San Antonio, to
the Coliseum and Exposition Board in Phoenix—had unique reasons for making the decisions they did.

For instance, in Baltimore, the Parks and Recreation Department seemed rather blasé over the ultimate fate of Memorial Stadium, and this makes sense in my opinion. The stadium is one of many facilities in the city that the Department maintains, and the loss of the stadium most likely would not negatively effect the Department's workload. In Toronto, the Province controlled both Exhibition Stadium and SkyDome. Its decision to raze the former facility therefore makes sense because it would be impractical for one owner to operate competing facilities. In San Antonio, the Convention Center Authority has a vested interest in making the proper choice regarding the HemisFair's fate. The convention industry is very important to the San Antonio economy, and the Authority obviously wants to make the decision that will be of greatest benefit to both the city and the tourism trade. In Phoenix, an owner-user situation practically exists with the Coliseum. The Coliseum and Exhibition Board not only control the facility, but also run the State Fair, the Coliseum's main event. Therefore, the board certainly wanted to see the facility remain. Indeed, the importance of the Coliseum to the State Fair, and vice versa was so strong that demolition was never even considered.

Based on the four cases studied in this thesis, I conclude that the most important factor in determining whether a stadium will remain or will be demolished is the Type of Ownership. If the owners have a clear agenda in mind and a specific use for the facility—as was the case in Phoenix—the facility is sure to remain. Similarly, if the old facility is of no benefit to the owners—as was the case in Toronto—it will definitely be razed.

I feel New Stadium Versatility is the second most important factor. In order to survive, the older stadium or arena must be able to attract a wide variety of events in order to remain solvent. This is in no way meant to disparage the movement towards single-sport facilities—like Camden Yards or America West Arena. Personally, as a sports fan, I think these buildings are terrific and offer the spectator the best possible view of the competition. However, if
their lead tenants were ever to vacate for greener pastures, they may have an extremely difficult time releasing the space.

Despite the evidence supplied from the cases in Phoenix and San Antonio, I still feel the presence of a major league lead tenant is a very important factor. Stadiums are no different from other types of real estate in this regard. A long-term, high credit tenant brings stability and reduces leasing risk.

Analysis of the Cases Against the Hypotheses
The following table summarizes how each of the hypotheses performed in the four cases. The chart is similar to the one used at the beginning of this chapter to summarize the factors. Within each box appears the word *Support* if the case supported the hypothesis; *Refute* if the case refuted the hypothesis; *Ins.*., if there was insufficient data to determine the hypothesis' impact; or *N/A* if the hypothesis was not applicable to the case. Two cases for San Antonio are shown, due to the uncertainty of the fate of the HemisFair. In an effort to conserve space, the factor, rather than the entire hypothesis appears in the vertical axis of the chart. The last column of the chart tallies the number of cases that support the hypothesis.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Baltimore</th>
<th>Toronto</th>
<th>San Antonio - Demolish</th>
<th>San Antonio - Retain</th>
<th>Phoenix</th>
<th># That Support</th>
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</thead>
<tbody>
<tr>
<td>Lead Tenancy</td>
<td>Support</td>
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<td>Support</td>
<td>Refute</td>
<td>Refute</td>
<td>3</td>
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<td>Refute</td>
<td>Support</td>
<td>Refute</td>
<td>Support</td>
<td>2</td>
</tr>
<tr>
<td>Competition</td>
<td>Refute</td>
<td>Support</td>
<td>Refute</td>
<td>Refute</td>
<td>Refute</td>
<td>1</td>
</tr>
<tr>
<td>Old Std. Vers.</td>
<td>Support</td>
<td>Support</td>
<td>Refute</td>
<td>Support</td>
<td>Support</td>
<td>4</td>
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<tr>
<td>New Std. Vers.</td>
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<td>Support</td>
<td>Support</td>
<td>Refute</td>
<td>Support</td>
<td>4</td>
</tr>
<tr>
<td>Cost of Hosting</td>
<td>Ins.</td>
<td>Ins.</td>
<td>Ins.</td>
<td>Ins.</td>
<td>Support</td>
<td>1</td>
</tr>
<tr>
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<td>Support</td>
<td>Support</td>
<td>Support</td>
<td>N/A</td>
<td>N/A</td>
<td>3</td>
</tr>
</tbody>
</table>

Below, each hypothesis is discussed in terms of the four cases.

- Lead Tenancy
  There was rather strong evidence in support of this hypothesis. The only exceptions were in Phoenix, where it was thoroughly rejected, and potentially
in San Antonio if the HemisFair is saved. In Phoenix, the Coliseum continues to do extremely well despite the loss of the Suns. If the HemisFair is retained, it too will be successful without a major league sports franchise. The other cases clearly demonstrate the importance of a major league athletic franchise to the economic viability of a stadium or arena.

Given the importance of the State Fair's tenancy to the Coliseum, I perhaps should have eliminated the Phoenix case from this study. Indeed, I chose not to look at stadiums like Cleveland Stadium which, despite the loss of the Indians, still had the Browns as a tenant. The situation in Phoenix is similar to this.

• Age
I found very little support for this hypothesis; only Phoenix and San Antonio—in the event that the HemisFair is demolished—seemed to offer any credence. The hypothesis was thoroughly rejected in Toronto where the Exhibition Stadium, the youngest of the "old" stadiums is the only facility certain to be demolished.

• Competition
Surprisingly, this hypothesis was rejected in all cases except Toronto—where SkyDome took nearly all of Exhibition Stadium's business. In Baltimore and Phoenix, the hypothesis was rejected because the newer facilities—Camden Yards and America West Arena—are by and large single-sport buildings, and the older facilities—Memorial Stadium and Veteran's Coliseum—are multi-purpose buildings, and are able to accommodate a variety of sports. It may be a stretch to refer to America West as a single-sport arena, but it was built primarily for basketball, and as a result, does not accommodate sports like hockey very well.

In San Antonio, the hypothesis was not supported mainly because the Alamodome and HemisFair Arena are so different that, other for the Spurs tenancy, the buildings really do not compete against each other.

The lack of support for this hypothesis indicates that other factors are more important in the decision-making process.
• Old Stadium Versatility
This was supported in all cases, unless if San Antonio chooses to demolish the HemisFair. This would be the only example of a versatile building that was demolished. Exhibition Stadium will be demolished, but it can hardly be considered versatile. In Baltimore, Memorial Stadium's flexibility allowed to land the Colts, which gave it the stability it needed. The Coliseum's ability to accommodate different events is so great that it has hardly felt the impact of the Suns' departure.

• New Stadium Versatility
Not surprisingly, this hypothesis recorded a similar results as those above—four supporting cases and one refuting case. The only difference is the refuting case would occur in the event that the HemisFair is retained. There is no disputing the Alamodome's versatility. If in fact the HemisFair is saved, it will not be a reflection of the Dome's inability to accommodate events, but because it can host a variety of events in it own right.

In Baltimore and Phoenix, the hypothesis was supported because both older facilities are more versatile than the newer facilities. In Toronto, the hypothesis was supported because SkyDome is clearly more versatile than Exhibition Stadium, and this clearly led to the decision to raze the latter facility.

• Relative Cost of Hosting an Event
I was only able to gather anecdotal information on this factor in all the cases except Phoenix. In that case, the data clearly support the hypothesis. The Phoenix Roadrunners indicated that they were able to negotiate a more favorable lease at the Coliseum than at America West. It would be interesting to explore this hypothesis in other cities to further determine its validity.

• Funds Available for Demolition
This hypothesis was supported in all applicable cases. I was surprised to find out that the cost of demolition was so steep. In Baltimore, estimates ranged from $5,000,000 to $10,000,000 and in Toronto, it will cost an estimated $3,500,000 (Canadian) to raze Exhibition. It becomes quite evident that the
cost of such work could be prohibitively expensive, and that it is absolutely critical to properly budget for the demolition work.

Based on these four cases, I conclude that the evidence most strongly supported the hypotheses regarding Old Stadium Versatility and New Stadium Versatility. Each hypothesis was supported by four cases and refuted by only one case. It is not surprising that they garnered the same degree of support. These hypotheses must be considered together, because typically the old and the new facility are competing for the same business, in which case versatility becomes a relative issue, and the tenant must decide which facility is more versatile than the other. For instance, a stadium can be considered versatile if it is compared to a single-sport stadium, but may look completely inflexible when compared to a multi-purpose dome.

The hypothesis which I initially thought would be most significant was Lead Tenancy. But I discovered that a facility does not need a major league sports franchise to be successful. The Phoenix case clearly demonstrated that a lead tenant does not have to be sports oriented. Moreover, if the HemisFair is saved, the San Antonio case will clearly demonstrate that a facility can survive without a lead tenant of any kind, and can remain viable by booking one-time events such as concerts and conventions.

In the future, as newer stadiums are built and older ones are vacated, I will be anxious to follow the decision-making process to see which factors play an important role, and which hypotheses are supported. The cases studied in this thesis indicate that professional sports franchise and stadium owners stand to generate substantial revenue by building new stadiums with extensive luxury seating and amenity packages. As a result, I expect to see the stadium building boom continue into the near future. Therefore, I feel there will be a greater need to test new hypotheses and develop a stronger understanding of the factors that determine which stadiums will be reused, and which ones will ultimately be demolished.
CHAPTER 7
APPENDIX - COMMENTS ON METHODOLOGY

Sources of Data
One of the greatest challenges in exploring this issue was the gathering of relevant data. The best source of information was the owners of the facilities. Personal interviews with management staff proved to be the most effective method of data collection. In order to utilize all parties' time in the most effective manner, I sent a list of questions to the interviewee ahead of time so that they were able to prepare their answers. I then conducted the interview at a prearranged time, usually a few days later.

In addition to the interviews, management personnel were able to provide promotional brochures, memoranda, written histories, outlines of current uses and future plans, specific facts such as seating capacity, stadium photographs and seating plans. This information was also very useful.

For the Baltimore case, I relied heavily on engineering reports and studies conducted by firms hired by both the owners of Camden Yards and Memorial Stadium. I received some reports directly from ownership and others through the library. As they are not published documents, they were very difficult to find via the latter method. Three of the documents were procured through interlibrary loan from the Maryland State Library in Annapolis.

Newspaper articles were also helpful for Baltimore, and to a lesser degree, Toronto and San Antonio. I obtained articles from the Washington Post, the Baltimore Sun, the Baltimore Business Journal, the Boston Globe and the San Antonio Business Journal, through various sources at the MIT Libraries, the Boston Public Library, as well as several on-line computer services. The articles were helpful in determining dates of critical events, and gathering certain specific facts. I also relied on a personal library of newspaper article clippings from the Globe, the Wall Street Journal, and the New York Times.

I used periodicals as well. Magazines such as Government Finance Review, Financial World, Fortune and Sports Illustrated provided specific detail on
the financial viability of stadiums and arenas, and on the economics of professional sports, of which the stadium can be a significant element.

I also gathered data from two almanacs, *The 1991 Information Please Sports Almanac* and *The Sports Illustrated 1992 Sports Almanac*. They were used to obtain very specific facts, such as the year a stadium was built. In addition, they contained helpful articles on stadiums.

**Difficulties in Gathering Data**

The fact that the subject cities are far from Boston made researching the topic difficult. For instance, it would have been preferable to conduct all interviews in person rather than over the phone. People tend to be less distracted and tend to be more forthcoming while being interviewed in person. Further, it allows the interviewer to take as much hard data as he is capable of carrying from the interviewee's office. It is uncommon that someone will send through the mail, say 300 pages of documentation. Most likely, people will send whatever will fit in a large manila envelope.

It was also difficult finding the right people to talk to, especially in Baltimore and in Phoenix. Memorial Stadium is owned by the city, and several municipal departments are involved in its operation, including the Empowerment District, the Parks & Recreation Department and the Baltimore Development Corporation. During the course of my research, inquiries to one agency were routinely referred to another agency. Also, a major project occupied most employee's time through the month of June, 1994. As a result, a person with intimate knowledge of the project was not available to be interviewed until July 7, 1994.

In Phoenix, locating the proper department was not difficult, but contacting the right person was. After about two weeks of attempting to contact one employee, she indicated that it would be better to speak with someone who had more knowledge of the project. Another three weeks were required to speak with him. As in Baltimore, the interview did not take place until July 7, 1994. In all, over the course of researching the project, four people were contacted at the Veteran's Coliseum.
Visiting the cities would have allowed for physical inspection of the facilities. This would have been very useful in gaining first hand knowledge of the stadiums and arenas, which in turn would ultimately lead to better conclusions as to what should be done with the buildings.

The geographical separation also made it difficult to scan the local press. As a result, newspapers from Phoenix, Toronto and to a lesser extent San Antonio were unobtainable. Although newspapers do not always provide the most complete data, they are extremely useful for constructing a broad picture of the chain of events involved, and they are indispensable for filling in the gaps in other forms of information.

Another difficulty encountered was that there is little published material on stadium reuse. In order to confirm the lack of literature on the topic, I spoke to experts in the field. Ralph Jernigan, Chairman of the Finance Committee for the Atlanta Organizing Committee, the group that put together the successful bid for the 1996 Summer Olympic Games, knew of no such literature. The Committee, now known as ACOG - Atlanta Committee for the Olympic Games - has had to wrestle with the issue of stadium reuse. Jernigan said that the MLB Atlanta Braves will move into the Olympic Stadium, newly built for the Games, after the Games are over. The stadium is designed to seat 80,000 for the Olympics, but 30,000 of the seats are temporary and will be dismantled, leaving the Braves with a 50,000 seat baseball-only stadium. Fulton County Stadium, the current home of the Braves will then be demolished after the Olympics, funded by revenues from the Games.

While researching the stadiums, it became readily apparent that there is much more information written about the new stadiums than the old stadiums. While this was helpful in learning about the new facilities, it was difficult to fully understand the situation of the old buildings, which is the focus of this thesis.

It is understandable that reporters would wish to write stories, and the owners would want to publish extensive brochures, on the new facilities; each is a truly remarkable building in its own right. Camden Yards in Baltimore is the first in what appears to be an ever growing line of new,
baseball-only facilities that relies heavily on the past for inspiration. Like ballparks from the early 20th century, it is located in downtown, built with steel and brick, and has asymmetrical dimensions and an outfield wall that varies in height. Since its opening in 1992, two other ballparks capitalizing on its popularity have been built: Jacobs Field in Cleveland and The Ballpark at Arlington in Texas.

SkyDome in Toronto has the only fully retractable dome in the world, which allows games to be played outdoors in good weather. In addition, it has a hotel with rooms that look onto the field, a Hard Rock Cafe, and North America's largest McDonald's.

The Alamodome in San Antonio is not actually a dome, but a tent-like structure that is supported by four masts. It is the only facility in North America that has dual full size ice rinks under one roof, and is designed to handle a minimum of 40 different types of events.

The America West Arena in Phoenix was built to primarily accommodate basketball. While most indoor arenas arrange the seating around an ice rink, which is typically the largest surface required. America West, designed and financed by the Phoenix Suns, services larger events by removing retractable seats from around the basketball court.
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