Squeeze Play:

The Campaign for a New Twins Stadium

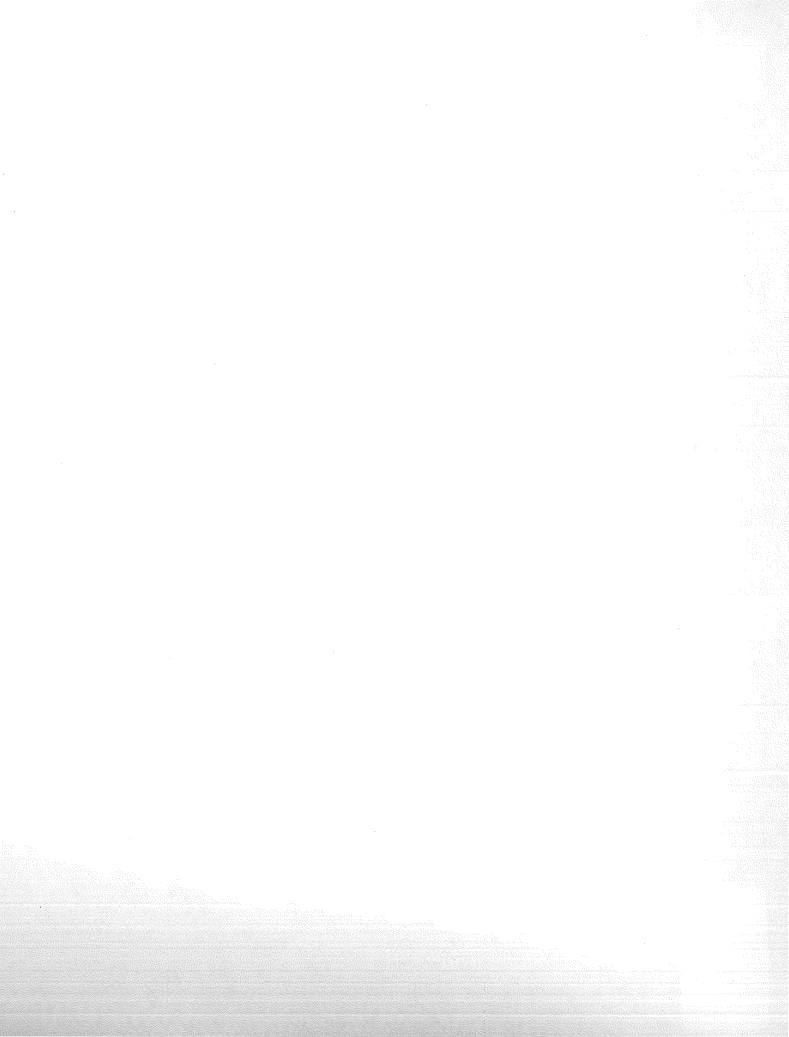
by

The Minnesota Public Advocacy Research Team

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Squeeze Play: The Campaign for a New Twins Stadium Contents

Introduction:	Why We Wrote this Book	1
Timeline of the Stadium Campaign		5
Chapter 1:	The Twins Campaign: Missing the Strike Zone	15
Chapter 2:	The Grassroot Opposition: A Question of Values	48
Chapter 3:	The Economic Benefits of a New Stadium: Fact or Fiction?	59
Chapter 4:	Declining Fan Support and the Court of Public Opinion	74
Chapter 5:	Competing Narratives in Newspaper Coverage	88
Chapter 6:	Power Politics: A Political History of the Campaign	106
Epilogue:	Lessons Learned	123
Appendix 1:	Summary of the Twins' January 1997 Proposed Financing Plan	130
Appendix 2:	Analysis of Correlations among Attendance, Win/Loss,	135

and Player Payroll Expenditures.

References



Introduction Why We Wrote this Book

In the fall of 1997 I was only dimly aware of the controversy over a new stadium for the Minnesota Twins. Since moving to Minneapolis in 1995 I had attended a few games each season and had become a big fan of Paul Molitor, but otherwise I simply had not taken the time to follow the news regarding the particulars of the Twins campaign, the opposition of Progressive Minnesota, and the responses to both in the state legislature. I had picked up on a few of the catch phrases such as Governor Carlson's "vote it in or vote it out!" refrain, the <u>City Pages</u> reference to the "Give us your money or this kid dies!" commercial, and the three Bs: "billionaire, blackmail, bailout." Like many of my friends and colleagues, I wanted the Twins to stay in Minneapolis but was wary of using large amounts of public tax money to pay for a new stadium.

I then received several phone calls from newspaper reporters wanting to know why Minnesota seemed "different" from other parts of the country in its opposition to public funding for a new stadium. I had been referred to these reporters by our university relations office because of my research interests in political communication and popular culture. In response to their questions, I opined that public opposition might be related to the way the media had covered the issue and that our state legislature seemed reasonably responsive to public opinion, but I found when pressed on these matters the best I could say was "that would make a good research project." After saying this to a reporter for the third time I became convinced the stadium controversy was indeed important and interesting enough to warrant serious investigation. This book is the result.

A team of ten graduate students and I met weekly from January through June of 1998. Initially our goal was to answer one question: What the heck happened? Over time we generated a list of questions that grew each week. Some of these included: Do new stadiums really help a team? What went wrong with the Twins' persuasive campaign? Why are so many people so strongly opposed to public funding? Is Minnesota really different from other parts of the country? What lessons can be learned from this campaign? Among our ranks we had all political and sports perspectives covered. The research team included one or two diehard Twins fans who strongly favored public funding for a new stadium as well as nonfans who strongly opposed public funding. Most of us fell in between—not wanting the Twins to leave but feeling uncomfortable about millions of tax dollars being spent on professional sports.

We began the project focussing mostly on the Minnesota Twins, but discovered in the process that the issues involved here are relevant to stadium debates all over the nation. We began by asking What were the persuasive strategies of the Twins organization and why were they unsuccessful? We were surprized to learn that there was no one clearly in charge of "the" campaign, and in fact there were multiple persuasive efforts going on that sometimes worked at cross purposes. Moreover, we soon learned that there was very little effort at a "public" campaign aimed at swaying public opinion. Most effort by the Minnesota Twins owner Carl Pohlad and Twins representatives was aimed at the Governor and the state legislature. The result of our research is reported in chapter one where we chronicle some of the most visible aspects of the Twins campaign and offer our diagnosis as to where the campaign went wrong.

Originally we had not planned to do a chapter on Progressive Minnesota's grassroots opposition to public funding for a new stadium. However, one member of our research team kept insisting that there was an important story to tell regarding the grassroots movement and she proved herself correct. Chapter two describes some of the opposition movement's history and strategies, and explains some of the reasons this coalition of protesters helped to thwart a corporate-backed multimillion dollar campaign.

There are mainly two reasons offered to support a professional baseball team in your town: 1) It is good for the economy; and 2) The great American pasttime of baseball has intrinsic if intangible value. In chapter three we take a close look at the first of these two reasons. The Twins hired the Arthur Andersen accounting firm to compose a report on the economic benefits of building a new stadium. Our research suggests that the direct economic benefits of a new stadium are marginal at best. Furthermore, the Twins project a substantial rise in attendance due to the new stadium. Our statistical analysis of the very teams the Twins cite as examples suggests that rising attendance has less to do with a new stadium than it does the willingness of team owners to invest heavily in quality players. New income from a new stadium could start a cycle of success for the Twins if that income is invested in the team, but new income will not improve win/loss or attendance if it is used simply to pay off the owner's past financial losses.

So what was the public thinking about the stadium issue during 1996 and 1997? In chapter four we survey the 21 different public opinion polls that we could find that took place during the stadium campaign. Despite a diversity of questions, methods, and pollsters, we found remarkable consistency across these surveys. Where the results differed significantly, we found that how the questions were worded probably accounts for the differences. Overall the public is simply far less enthusiastic about the professional sport of baseball than it was twenty or thirty years ago. Declining fan support and impatience with the big business side of sports probably account for the fact that the public was strongly opposed to almost any significant government funding for a new stadium for the Twins.

My original hypothesis about the failure of the Twins persuasive campaign was that the media had framed the issue as a rich team owner trying to extort millions from the public treasury. I was wrong. As explained in chapter five, the stories told by the media, particularly the Minneapolis <u>Star Tribune</u>, the St. Paul <u>Pioneer Press</u>, and

the Twin Cities alternative <u>City Pages</u>, were far more complicated than any of us on the research team had anticipated. Thanks to the help of research via the worldwide web, we were able to access virtually every one of the hundreds of articles written on the subject of the stadium from late 1995 through June 1998. Our research team found that in general the coverage was quite thorough and fair. Much of the early coverage by both papers approached the issue uncritically as a business deal that was beyond the influence of the general public, which, in fact, is what almost happened. As the issue heated up in 1997, we found interesting differences between the Pioneer Press and the Star Tribune. As the Pioneer Press became more critical of their coverage they also sought to encourage the public to see themselves as active players in the political process. The <u>Star Tribune</u>, while providing very thorough coverage of many aspects of the stadium debate, nonetheless took an editorial stance that basically told the public they did not know what they were doing. The City Pages, cantankerous as ever, provided a valuable and seldom-heard critique not only of the stadium debate but of the coverage provided by major media outlets.

Chapter six is a political history of the stadium campaign. As noted earlier, much of the effort to secure stadium funding was not directed to persuading the Minnesota electorate to support the campaign but was aimed at persuading the state legislature. It is strange but true in our democracy that most citizens do not see themselves as "political." The result is that we risk governmental leaders deciding what is best for us either without regard for public opinion or sometimes in direct defiance of the public will. In the stadium debate, the Governor and certain legislative leaders were able for two years to frame the stadium issue as simply one of "how" to fund a new stadium, rather than "whether" such a stadium should be built at public expense. This chapter sums up our story of how and why this stadium campaign unfolded as it did and tries to explain how this chapter in Minnesota political history contains both the best and the worst that Minnesota politics has to offer.

In an epilogue, we identify what we believe are the most important lessons this campaign has to offer the Twins, grassroots organizers, and most importantly, the citizens of Minnesota. Let us be clear: The stadium debate is far from over. The issues and values involved will be revisited by Minnesotans in the coming years and by other metropolitan areas across the nation. For that reason this book is not only about the recent past in Minnesota, but it is also about the future of public support for professional sports team stadia.

> Edward Schiappa Research Team Organizer and Editor

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The authors would like to take this opportunity to thank those individuals who agreed to be interviewed for this book, including Cornell Moore, David St. Peter, Pat Forciea, John Himle, Reverend Ricky Rask, John Commers, Galanne Deressa, Minnesota Representatives Len Biernat, Lee Greenfield, Alice Hausman, Phyllis Kahn, Jean Wagenius, Senators John Hottinger, Steve Kelley, David Knutson, John Marty, Steve Novak, Mark Ourada, Larry Pogemiller, Martha Robertson, Allan Spear, Roy Terwilliger, and the state legislators who agreed to be interviewed but wished not to be quoted directly. Our thanks also to Minnesota Wins, professor Steve Frank, and the Indian Gaming Association for sharing material concerning their opinion polls, and to the Minneapolis Star Tribune and St. Paul Pioneer Press for their helpful website archives. Melody Gilbert provided important ideas and sources early in the project that helped to get us on the right track. Professors Mark Rosentraub, Philip Porter, and Rodney Fort gave useful feedback to a draft of chapter three for which we are very grateful. William Wittkopf provided very important assistance to the project by conducting the statistical analysis in chapter three and authoring appendix 2. Jerry Bell and Carl Pohlad declined to be interviewed concerning financial matters for this book.

This report is available on the worldwide web: www.comm.umn.edu/twinsreport

Timeline of the Stadium Campaign

- 1977 Minnesota state legislators pass \$55 million bond bill to replace Met Stadium.
- 4/6/82 The Minnesota Twins play first game in the Hubert H. Humphrey Metrodome.
- 9/7/84 Calvin Griffith sells the Twins for \$36 million to a team of owners led by Carl Pohlad.¹
- 1987 The Twins draw less fans than the American League average for 5 straight years. Pohlad threatens to move team at the end of the season unless the Twins stadium contract is modified. Beginning with the 1988 season, the rent of 7 & 1/2% of gate revenue is eliminated.
- 10/87 Twins win the Major League Baseball World Championship.
- 10/91 Twins win a second Major League Baseball World Championship.
- 2/5/94 Pohlad expresses interest in selling his share of the team, upon expiration of the team's 1997 lease of the Metrodome, to anyone who will keep the team in the state. Sales figures are reported from \$70 to \$95 million, with the latter value estimated by <u>Financial World</u> magazine in 1993.
- 2/9/95 A 20-member "Advisory Task Force on Professional Sports Franchises" meets for the first time, to consider, among other things, the possibility of a new baseball-only stadium.
- 3/15/94 Pohlad reports that he is close to buying the 45% of the Twins franchise owned by Robert Woolley of Dallas, Texas (40.5%) and Cornell Morre of Minneapolis (4.5%). The sale is completed shortly thereafter.
- 4/27/95 Twins president T. Geron (Jerry) Bell begins investigating the possiblity of a \$300 million retractable-roof baseball-only stadium.
- 5/11/95 The Metropolitan Sports Facilities Commission puts a hold on 18 months of architectural planning to renovate the Metrodome, so that inquiry can proceed as to whether a second, open-air facility for the Twins should be built.

¹ Reports differ as to how much was paid for the team in 1984: In the past few years, the <u>Star</u> <u>Tribune</u> has reported alternately \$32 & \$36 million, the Twins published literature reports \$35 million, and the <u>Pioneer Press</u> reported \$36 & \$37 million. We believe the original team of owners included Carl Pohlad (45%), Robert Woolley (40.5%), Cornell Moore (4.5%), and Paul Christen (10%).

- 9/11/95 Twins president Jerry Bell tells the Advisory Task Force on Professional Sports that the Metrodome is "economically obsolete."
- 9/24/95 A <u>Pioneer Press</u> poll reports that while 52% of respondants consider it "somewhat" or "very" important that the Twins remain in Minnesota, 69% oppose using tax money to build a new stadium.
- 9/30/95 Carl Pohlad discusses complete sale or joint team ownership with Glen Taylor, owner of the Timberwolves.
- 10/24/95 Governor Carlson discusses plans to hold a seven-county referendum vote on building a stadium with metrowide sales taxes.
- 10/31/95 The Advisory Council on Gambling rejects a proposal from Senator Charlie Berg, DFL-Chokio, to expand casino gambling through the state in order to generate revenue for a new stadium, among other things.
- 11/6 /95 The Advisory Task Force on Professional Sports concludes its information-gathering session. Senator Roger Moe, DFL-Erskine, favors a metro-wide referendum, and a political decision in 1996; Jerry Bell prefers a plan in 1996 as well; businessperson Dan Brutger proposes funding the stadium with a casino in downtown Minneapolis.
- 12/21/95 The Task Force fails to agree on whether a new stadium should be built, and instead recommends that the Minnesota legislature draft a referendum proposal to metro-area residents to vote upon in the fall of 1996. Governor Arne Carlson says he will ask the legislature to draft a referendum.
- 2/23/96 Despite earlier subcommittee approval for a bill to put a referendum on the stadium on the fall election ballot, the proposal fails to achieve the necessary committee votes to move to the full house and senate.
- 4/15/96 Governor Carlson's chief of staff, Morrie Anderson, says that he and Henry Savelkoul, chairman of the Metropolitan Sports Facilities Commission, will try to negotiate a deal with the Twins to present to the legislature in January of 1997.
- 4/18/96 Governor Carlson sets July as a deadline for a stadium deal.
- 9/13/96 Lobbying organization Minnesota Wins distributes postcards and an information kit promoting a new stadium during a Twins home game. The kit is also sent to those who have returned the postcards distributed at earlier games. The kit includes a five-page letter that

reviews the Twins' position with a series of questions and answers. Among other things, it says the Twins have been losing money at the Metrodome and that the lease can be broken in 1997. On the same day, The same day, Senator John Marty calls for a statewide debate on the state financing initiative for a Twins ballpark. He says the effort is "to bail out those multi-millionaire owners and players." He criticizes activities by lobbyists for the Twins and for the Metropolitan Sports Facilities Commission and alleges that there is a "conspiracy of silence."

- 9/29/96 Senator Marty challenges Joe Weber, director of Minnesota Wins, to a debate about funding a new stadium to be broadcasted either by radio or television. Weber rejects the challenge.
- 1/8/97 Twins owners propose donating 49% of the team to public ownership plus a contribution of \$82.5 million to obtain \$350 million in public funding for the stadium. It is later discovered that Pohlad planned to loan the \$82.5 million, plus interest, not contribute it, and the donation would be a tax write-off.

Governor Carlson offers a second proposal on the same day to fund the \$354 million stadium with taxes on cigarettes.

- 1/15/97 Governor Carlson, the Twins, and the Metropolitan Sports Facilities Commission propose, through legislators, stadium funding in the form of a 10 cent per pack cigarette tax. Fifteen health-related organizations send a letter to Governor Carlson in support the bill, including the American Cancer Society, Allina, HealthPartners, Blue Cross and Blue Shield.
- 1/97:1/16/ Two major lobbying firms—North State Advisors and Messerli and Kramer—drop their accounts with the Twins for conflict of interest. Both firms worked for tobacco companies, who stood to lose if the cigarette tax proposals were passed.
- 1/21/97 A Star Tribune poll finds that 69% opposed the Twins' stadium funding proposal, 21% favored it. In addition, 45% of Twins fans opposed it, while 43% favored it. 58% of Twins fans rated the Metrodome as good or excellent, while 28% found it fair or poor. Another negotiation session is held between the Twins, Governor Carlson's office, Senator Dick Day, R-Owatonna, introduces a bill to fund the stadium with 1,500 slot machines at Canterbury Park.
- 2/21/97 Representative Phyllis Kahn, DFL-Minneapolis, and Senator Ellen Anderson, DFL-St. Paul, announce sponsorship of a bill that would use

money from the state's general fund to buy 100% of the Twins for up to \$100 million, then sell the franchise to citizens.

- 2/24/97 Twins officials agree to remove the retractable roof from the stadium proposal. They also remove an \$82.5 million loan proposal by Pohlad in favor of a cash contribution by him of \$15 million.
- 2/27/97 Representative Rest sponsors a stadium funding bill based on tobacco and ticket taxes, co-sponsored by Senator Dan McElroy. Rest opposes the slot-machine proposal.
- 3/3/97 The newest reported stadium proposal says Pohlad will give 49% of the team to the state upon opening of the stadium in 2001, and if Pohlad wishes to sell in 2006, the state will purchase the remaining 51% for \$105 million. Pohlad's donation of the 49% would qualify as a tax write-off.
- 3/12/97 Representative Mike Jaros, DFL-Duluth, introduces a bill that would provide stadium funding by means of additional games in the Minnesota Lottery.
- 3/24/97 The Senate Local and Metropolitan Government Committee decides to remove public monetary support of the stadium, to cancel the requirement that the stadium be built in Minneapolis, to call upon team owners to raise their cash contribution from \$15 million to more than \$50 million, and not to recommend the bill's passage.
- 4/9/97 Representative Rest succeeds at getting the Local Government and Metropolitan Affairs Committee to vote 12-6 in favor of sending her proposal to the House Tax Committee. The proposal calls for Pohlad to contribute \$50 million in cash to help build the stadium. The figure is \$35 million more than Pohlad had previously agreed to donate. James O. ("Jim") Pohlad, son of Carl, objects to the increase in the contribution.
- 4/17/97 The House Governmental Operations Committee, headed by Representative Kahn, considers her bill that would authorize the state to buy the Twins for up to \$100 million. It votes to delete her proposal.
- 4/25/97 Legislative leaders hire Richard Wolffe, a consultant with the firm of Deloitte & Touche, to analyze the ballpark financing plans. The plan presented at the joint House-Senate Tax Committee on April 30, 1997 is basically the one that passed the Local Government Committee, sponsored by Rest and McElroy. Gambling-related funding initiatives will be the only new addition.

- 4/27/97 The <u>Star Tribune</u> releases results of a new poll, which suggests, among other things, that twice as many Minnesotans favor use of gambling proceeds for a stadium than those who oppose it.
- 4/27/97 Twins president Jerry Bell reports the possibility that Pohlad may contribute \$50 million in cash upfront to the proposed \$425 million ballpark, and in addition contribute 49% of the team's stock to the state.
- 4/28/97 Carl Pohlad tells Senator Janezich that he does not wish to contribute the \$50 million requested by House members.
- 4/30/97 Bud Selig, acting major league baseball commissioner, addresses a joint hearing of the Senate and House tax committees assembled to discuss stadium finance plans. Selig is reported to have said, "if there isn't anything on the horizon to change the economics, baseball will allow that club to move. We'll have no alternative." Subsequent to the meeting, Representatives Rest and McElroy present a new version of their bill, one that reduces Pohlad's contribution to \$15 million, but includes the request that he loan an additional \$35 million.
- 5/2/97 Governor Carlson calls upon Native American leaders to share their gambling profits with the state if they wish to continue their casino monopoly. Carlson's spokesman Brian Dietz claims that the stadium and casino issues are separate. John McCarthy, executive director of the Minnesota Indian Gaming Association, calls this a "hostage situation." He also says that the debate has shifted from a stadium to gambling, and failure to retain the Twins would then be blamed on Indian tribes.
- 5/5/97 Governor Carlson calls upon the legislature to pass a stadium bill by May 19th, the last day of the stadium session. He adds that Pohlad has made it clear that the Twins would leave Minnesota if no stadium bill is passed. He also reiterates preference for a cigarette tax and lack of opposition to slot-machines.
- 5/8/97 Jerry Bell announces Pohlad is considering increasing his cash contribution for the stadium funding to \$100 million. Bell would not specify how much of this would be Pohlad's money, or how much would come from other sources, but he did say it would come from revenue generated by the stadium. This new Twins proposal is forged as part of a revision of the two separate proposals by Senator Johnson and Representative Milbert. It would include elimination of the state's ownership of the team, but would retain the state's funding of the stadium.

5/12/97 The legislature defeats all stadium funding proposals in the House and Senate tax committees.

Governor Carlson says the Twins will be "the Charlotte Twins in 1998," while Jim Pohlad says the Twins could move to Mexico.

- 5/20/97 The Pohlads contact Major League Baseball, seeking approval to move the franchise out of Minnesota. This marks the Pohlads' first direct threat to move the team. Soon afterwards Major League Baseball owners tell Pohlad to sell or move the Twins if Minnesota does not build them a new stadium.
- 5/28/97 Jim Pohlad says that the only alternative to prevent sale of the team is a stadium solution by a special legislative session.
- 6/9/97 Governor Carlson announces that he will hold a special legislative session in September for the purpose of passing a state-funded stadium.
- 6/14/97 Progressive Minnesota begins a petition drive to amend the Minneapolis City Charter to require a citywide vote on any proposed funding by the city for sports stadiums or arenas that exceed \$10 million.
- 6/20/97 Three groups claim to offer Pohlad a buying price for the Twins. One is Griffith, another is from North Carolina.
- 7/23/97 Progressive Minnesota elects Reverend Ricky Rask to its steering committee and has gathered more than 6,000 signatures in its petition drive in opposition to public funding for the stadium.
- 8/19/97 The Minnesota House turns down a proposal by representatives Knight and Krinkie for a multiple-choice advisory referendum on public funding for the stadium. The referendum would offer a vote against any funding for stadium construction or approval for a limit of \$100 million, \$200 million, or \$300 million.
- 8/19/97 Governor Carlson calls representatives Phil Krinkie (R-Shoreview) and Kevin Knight (R-Bloomington) "rascals," and accuses them of "McCarthysism" for having called for a statewide, nonbinding advisory referendum on public funding for the stadium.
- 8/25/97 Senator Marty calls upon Governor Carlson not to hold a special legislative session on the stadium issue.

- 8/28/97 The legislative task force is split on stadium funding proposals. Two members state that the task force has failed to question seriously the possibility of no funding.
- 9/12/97 The Minneapolis City Council approves language for the referendum that would require voter-approval for any city funding in excess of \$10 million for any professional sports facility.
- 9/17/97 Legislative task force co-chair Jennings calls upon the House to approve \$218 million for the stadium, to be collected from gambling revenues from Canterbury Park and current lottery revenues. He also calls for suspending decision on the proposal for 60 days, during which time the proposal would be canceled if Minnesota's casino-owning tribes would agree to contribute the \$30 million per year that would otherwise be gathered at Canterbury.
- 9/30/97 A new public-opinion survey reports that Minnesotans oppose construction of a new Twins stadium by nearly two to one; 73% would support funding by means solely of gaming revenue drawn from statesponsored slot machines at Canterbury Park and the state lottery.
- 10/4/97 Pohlad announces an agreement with North Carolina businessperson Don Beaver to sell the Twins if the Minnesota legislature does not vote to build a new stadium by November 30. In order to do this, Pohlad makes use of an escape clause that allows withdrawal from leasing the Metrodome at the end of the 1998 baseball season, and Beaver signs a letter of intent to buy the team.
- 10/4/97 Governor Carlson announces his intent to call a special session of the legislature beginning October 21st for the purposes of approving a stadium bill. Regardless of the session's duration, the deadline for a decision will be November 30.
- 10/9/97 The <u>Star Tribune</u> reports that "the special legislative commission on stadium financing voted 9-4...in favor of a proposal to contribute \$250 million in state money toward a ballpark. Three members were absent."
- 10/21/97 The Legislative Commission on Planning and Fiscal Policy rejects stadium funding proposals.
- 10/23/97 The legislature opens its special session on public funding of the stadium and calls upon Pohlad to come to the Capitol and speak about the issue.

- 10/24/97 Pohlad offers one plan to pay \$111 million for the \$411 million stadium and presents the possibility of donating 49% of the team to a non-profit organization. He also proposes another final plan, one which would donate the entire team to a non-profit organization, provided that organization also assume the team's \$86 million in debt.
- 10/29/97 The Senate removes lottery revenues and user fees from its stadiumfunding bill by a vote of 50-14. It also removed proposed gambling revenues from Canterbury Park by a roll-call vote of 33-31. The House rejected a skeletal stadium bill by a roll-call vote of 100-29.
- 11/4/97 By more than a 2 to 1 margin, Minneapolis voters approve a measure that requires city government to secure citizen approval by referendum of any stadium construction projects that would cost the city in excess of \$10 million.

State lawmakers reportedly begin to consider stadium funding by means of increased taxes on Twins tickets and concessions, and a parking surcharge. Annual revenue is estimated at \$7 million.

- 11/11/97 Minnesota Wins releases poll results that indicate 59% of respondents oppose a new stadium, 23% favor building one, but 77% would support stadium construction financed by income taxes and user fees tied closely to the ballpark.
- 11/13/97 The House of Representatives votes 84-47 against a bill for public funding of the stadium. The bill proposed that revenues be drawn from taxes on game tickets, parking, memorabilia, and player salaries. This vote effectively ends all chances of ensuring a publically-funded stadium before the Twins' escape clause comes into effect.
- 12/17/97 Minnesota Attorney General Hubert Humphrey III initiates a civil investigation into potential antitrust violations regarding the sale of the Twins and sends letters demanding information to Selig, Pohlad, American League president Gene Budig, National League president Leonard Coleman, and Don Beaver.
- 1/11/98 Baseball experts express doubt that movement of the Twins to North Carolina would succeed. The <u>Star Tribune</u> reports that "a recent Charlotte Observer poll found that only 1 in 10 Charlotte residents said they would go to four or more games in Greensboro; 68 percent said they wouldn't attend any games at all."

- 2/23/98 The State Government Finance subcommittee of the House approves a bill that would purchase the team by means of a state loan to a charitable foundation. Representative Kahn sponsored the bill, which is defeated by a vote of 12-4 several days later.
- 3/17/98 Pohlad again asks Major League Baseball's executive council for support of his plan to move the team.
- 3/25/98 A judicial mediator, Hennepin County District Judge Robert E. Bowen, gives a non-binding ruling that the Twins can exercise their escape clause, releasing them from having to lease the Metrodome after the 1998 season.
- 3/31/98 The resolution signed by Pohlad and Beaver expires, but later the two apparently agree informally to honor the contract.
- 4/8/98 Senator Roy Terwilliger, R-Edina, gets tentative approval from Doug Johnson, DFL-Tower, Chair of the Senate Tax Committee, to submit an omnibus bill to the committee that would help pay for a \$284 million open-air stadium by means of user fees. Senator Roger Moe, DFL-Erskine, supports the idea of passage in order to send a symbolic message to baseball league owners that Minnesota still wishes to keep the Twins. The committee approves the bill 12-11.
- 4/8/98 Joe Marble, of Citizens United For Baseball, gives Senator Terwilliger more than 3,000 signatures favoring a stadium.
- 4/9/98 The senate abandons the vote on the stadium bill, but passes instead a unanimous non-binding resolution that says the state wishes to keep the Twins.
- 5/5/98 By referendum North Carolina voters in the Triad region of North Carolina vote against a proposed tax to build a baseball stadium. Beaver indicated the Triad's ability to get the team has passed but refused to indicate whether the same held for Charlotte. Carl Pohlad declined comment.
- 5/6/98 Governor Carlson's chief of staff Bernie Omann warned that the public should not think the Pohlad-Beaver deal is over. He also said Carlson was willing to try to create a lease that would be more favorable to the Twins, helping them reduce estimated annual losses of \$5 - \$10 million.
- 5/12/98 Ramsey County District Judge Margaret Marriman rules that Carl Pohlad, Don Beaver, and Bud Selig must provide documents requested

by Minnesota Attorney General Hubert Humphrey III dating back to 1992.

- 7/15/98 The Metropolitan Sports Facilities Commission offers to drop its suit against the Twins if they sign an agreement to stay in Minnesota through the 2005 baseball season while also seeking to sell the team to a local buyer.
- 7/23/98 The Twins reach a tentative agreement with the Metropolitan Sports Facilities Commission regarding the Commission's offer.
- 8/2/98 A Minnesota Poll conducted by the Star Tribune/KMSP-TV finds that 3% of likely voters would vote against a candidate with an opposite view on stadium funding. This compares with 13% in a Minnesota Poll conducted in October 1997.
- 8/7/98 Governor Carlson names another 12-member task force directed to study stadium needs for sports teams, and for the University of Minnesota.
- 8/14/98 The newly-appointed task force meets for the first time at the Governor's residence.
- 8/14/98 The Twins and the Metropolitian Sports Facilities Commission sign the new lease agreement of the Metrodome. The team has a thirty-day period in which to receive bids from local buyers.
- 9/14/98 The deadline arrives for local investors to make proposals to buy the Twins. The two principal potential buyers to date are Timberwolves owner Glen Taylor and Clark Griffith, son of former Twins owner Calvin Griffith. Clark Griffith submits a bid late in the afternoon.
- 9/14/98 A report issued by the state Campaign Finance and Public Disclosure Board reveals that the Twins spent more on lobbying at the capital than any other group or business from July 1997 through June 1998. The figure comes to \$871,562. Third in expenditures is Minnesota Wins at \$305,777. Two groups opposed to stadium funding initiatives, Fans Advocating Intelligent Spending and Fund Kids First, report \$296.

Chapter 1 The Twins Campaign: Missing the Strike Zone

"We are saddened and disappointed by this week's unsuccessful attempts to make the dream of a new outdoor Twins stadium a reality. The Minnesota Twins have been an important part of my life, and that of my family, for fourteen years. My dream was that they remain competitive and in Minnesota forever. It appears that may not be possible.

I would like to express my heartfelt thanks, on behalf of the Twins and the Pohlad family, for all the support and encouragement of our fans throughout the state who have joined with us in trying to find ways to keep the Twins in Minnesota. We would also like to particularly thank the Governor, our legislative leaders, and other political, labor and business supporters who have shown remarkable vision and courage throughout the process."

This statement was issued in a press release dated November 14, 1997, from Carl Pohlad, owner of the Minneapolis-based Minnesota Twins American League Baseball Club. It was in response to the adjournment of a tumultuous special session of the Minnesota Legislature that had convened three weeks before by order of Governor Arne Carlson. The reluctant legislators gathered in St. Paul were charged with putting forth and voting on specific proposals for providing some form of state subsidy for the construction of a new baseball-only stadium to replace the Twins' current home ballpark, the Hubert H. Humphrey Metrodome, a facility that is shared with the National Football League's Minnesota Vikings. After a highly charged and publicized campaign that involved Twins fans, the Minnesota public, the governor, and the state legislature, and despite its culmination in the governor's call for a special session to finally "vote it in or vote it out," the Minnesota Twins and owner Carl Pohlad were left after the adjournment with no state funds and no solid assurance of the continued support of their fans and business partners in Minnesota. Publicly, this meant that Pohlad would have to consider relocating or selling the team to another city, one which could offer the advantages of stadium revenue and control that Pohlad had sought in a new ballpark in the Twin Cities area of Minneapolis and St. Paul.

Whether or not the salvation of professional baseball for the state of Minnesota was Pohlad's principal motivation, the end of the legislative special session seemed to mark the closure of what had begun some two years before as a concerted public relations campaign to obtain up to \$500 million in state subsidy for the construction of a new baseball stadium in the Twin Cities. As early as 1992 rumblings were heard in Minnesota that unless the team's stadium facility were improved and additional revenues were brought in, the Twins would no longer be able to remain competitive with bigger-budgeted teams from "large markets" or from cities such as Baltimore or Cleveland that had built new stadia with diverse money-making amenities for their local franchises. Around this time, the developing scene in the four major professional sports in the United States (baseball, football, basketball, and hockey) was one of "franchise free-agency." In the last 25 years, free agency has meant that professional athletes (beginning with Major League Baseball players in 1973) have been able—after certain probationary periods with their original team—to negotiate playing with other teams for lucrative contracts. This ended a long-standing system of owner-controlled contracts that made it extremely difficult for a player, as long as he was desired by the team with whom he was originally signed, to offer his skills on the open market to the highest bidder. Free-agency for players in the four major men's professional sports has resulted in part in upwardly spiraling salary scales for the players, ticket prices for the fans, television broadcast-rights fees paid by the TV networks, and investments of capital for would-be franchise owners.

In no small part due to this financial escalation, "franchise free-agency" has come to refer to sports team owners pulling up roots from their host cities to make a home somewhere else if the financial considerations are more attractive. Longtime traditions, ardent fan loyalties, and a persistent presence in a community are no longer chief factors in determining a sports team's identity. Rather, the population of a prospective metropolitan market, the revenue-generating capabilities of teams' arenas and stadia, and the financial enticements offered by cities wishing to gain "major league stature" are more likely determinants of where professional sports are played. An increasingly important consideration in the shuffle of franchise free agency has been the stadium facility in which teams perform for their public audience. Where such facilities are deemed by their tenants to be outmoded for revenue generating purposes or in need of substantial improvements, the trend in major American cities that host professional sports franchises has been to impart some form of public subsidy in order to ensure the profitability of the local franchise. The perceived threat of local ball clubs relocating to another area has been the impetus for a number of significant investments of taxpayers' funds in cities such as Seattle, Milwaukee, and Chicago.

Not every community with a professional sports franchise has agreed to the demands of wealthy team owners for increased revenue by means of newer and better stadia or outright cash infusion. Even before the launch of the Minnesota Twins' substantial public relations drive for a new baseball-only stadium, the Twin Cities—which from 1989 to 1993 had the distinction of being the nation's smallest metropolitan area to host a team from all four of the major pro sports leagues—had seen franchise free-agency played out in a variety of ways before the news media, city councils, the state legislature, and an increasingly jaded public audience of sports fans and taxpayers. In 1993, the Minnesota North Stars of the National Hockey League, a team which had been housed at the spartan Met Center in Bloomington, a southern Minneapolis suburb, completed the term of its lease in that facility and promptly relocated to Dallas. The following year, the Minnesota Timberwolves of the National Basketball Association, despite having the state-of-the-art Target Center arena in downtown Minneapolis as their home, sold out to

New Orleans interests who wished to move the team until the sale was overruled by the NBA. More recently, the Minnesota Twins have used an escape clause to terminate their lease at the Metrodome in order to lobby for the construction of a new stadium. Team owner Pohlad even signed a sales agreement with a North Carolina businessperson to move the franchise there should Minnesota not produce the appropriate level of funding for new construction. The sales agreement, however, contained a March 31, 1998 expiration date. That, combined with the prospective North Carolina buyer's inability to secure a similar public subsidy in that state for a home stadium to house a transplanted Twins franchise, renders the immediate threat of relocation effectively moot. But the possibility lingers on. The Twins stadium debate, which has raged in public for the better part of two years, has featured a number of climactic ultimata, yet the team remains in place. At the same time there is still no resolution in sight that would finally prevent the team from leaving the state. Whatever its effectiveness, the specter of "franchise free-agency" has been the trump card in professional team owners' efforts to obtain new facilities, extensive remodeling projects at current stadia, or tax concessions at public expense to make the home team more profitable.

In the case of the Minnesota Twins, the 1992 season has been followed by five consecutive losing seasons in which belt-tightening and trades of higher-salaried established players for low-earning young prospects became the order of the day. It was projected that the young talent acquired in such deals would gradually refine and mature and once again make the ball club a winning franchise by the 1997 or 1998 baseball seasons. Probably not coincidentally, October 1997 was also the date by which the team, if it could show in its books three straight years of operating losses, could opt out of the remaining years in its Metrodome lease in order to search for more accommodating facilities. With accountants to prove its operating losses and a team of hungry young talented players improving and building a winning record after what would seem almost like a cyclical hiatus, it would have been easy to envision a situation in which the Twins entered into negotiations with the state for public expenditure toward a new home field after the 1997 season holding the cards necessary for a winning hand: renewed public interest in the team, strong fan support, rebounding attendance figures to boost local restaurants and the hospitality industry, and the general goodwill of the public and (more importantly) the state legislature which would inevitably extend to such a high-profile, successful local business concern.

However, the team's record was steadfastly miserable in 1997 (a 42% winning percentage) as well as in previous years. Many of the young players that the Twins acquired or developed flopped at the major league level. In large markets like New York and Boston, team payrolls escalated so rapidly that the Twins' frugal spending was too little to stay competitive, but too much to keep the ball club out of the red. Now even mediocre veterans or first-round draft picks fresh out of high school came with a price tag once reserved for baseball's stars. As Carl Pohlad began losing more money funding a team that appeared to its fans as floundering, the

importance of escaping their Metrodome lease and securing an enhancement of revenue sources increased. The result was that Pohlad and the Twins administration began to construct a public relations campaign that would kick-off a year or two before the time the team could end its Metrodome lease in order to have the necessary state financial support in place by the time the club was actually ready to vacate the premises in favor of its new location. This campaign would take on a life of its own over its two years' span and would become the proverbial political hot potato. Pohlad, the Twins, and their coterie of strategists and supporters would find that Minnesotans were not in a mood to placate yet another local sports franchise against the threat of franchise free-agency—not even if it was the only sports team in the area to ever have brought home a championship trophy in the modern era of commercial sports.

By and large, the Twins activities in this campaign are presented in this chapter in chronological order, with an eye toward reporting events as they occurred chiefly from the perspective of the ball club and its operatives. Where appropriate, included in this account are quotes and sentiments from individuals actively involved in the Twins' stadium campaign and who agreed to be interviewed for this research. Among them were Dave St. Peter, the Minnesota Twins Director of Communications and a member of the administrative inner circle in the team's front office, Pat Forciea, a former state Democratic Party campaign strategist and Assistant Athletic Director for Marketing at the University of Minnesota, and John Himle, a former Republican state representative and acquaintance of Minnesota Governor Carlson whose experience with the Twin Cities public relations firm Himle/Horner made him the logical choice to represent "Minnesota Wins," a stadium support group that was very much central to the Twins' overall persuasive strategy. Also interviewed for this section were several key legislators who made an impact on the debate and who represent a sampling of both stadium supporters and opponents. Various explanations given by these interview subjects for the failure of the campaign for public subsidy are collected and presented in a subsequent section. The final part of this chapter is dedicated to a critical assessment of the Twins' public¹ campaign with an eye toward the persuasive dimensions that helped define the stadium issue and that were employed in a campaign that concluded with neither the general public nor the state legislature having been persuaded. In this analysis, a picture emerges of a highly funded public relations campaign that suffered from at least two major weaknesses:

> There was not a clear campaign manager to direct the organization's strategy and methods. As a result, there was not <u>a</u> campaign but multiple and sometimes uncoordinated efforts. Ideas and policy decisions came from a consortium of team owner Pohlad, team president T. Geron (Jerry) Bell, and then a number of other consultants,

¹ In chapter six we describe in more detail some of the <u>private</u> efforts made by the Twins. In this chapter we limit our analysis to public statements and actions made on behalf of advocates of the new stadium.

marketers, pollsters, and politicians who joined the campaign at different times on ad hoc bases and whose positions within the campaign were ambiguous and changing.

2. Perhaps due to the first weakness, the audience for the overall campaign shifted during the course of this campaign or was never fully understood in the first place; from the governor to fans to the general public to state legislators, the focus of this effort changed too frequently to maintain the health of a consistent persuasive appeal.

At the time of this writing, the Twins' stadium situation is in limbo; with the North Carolina relocation apparently dead and no other local or out-of-state buyer apparent, the Twins face playing in the Metrodome on a year-by-year basis while the team's owner seeks some answer to his financial woes for the longer term. However, one thing is obvious: for the Minnesota Twins to get any sort of public funding for a new stadium, they likely will require a whole new pitch.

A Public Relations Saga

We should note that the phrase "the Twins' campaign" is somewhat misleading. There was not <u>one</u> organized and coordinated campaign, but multiple efforts by people who directly or indirectly represented "the Twins" and who operated with different assumptions and preferences. When we can identify specific actors in the campaign process, we will do so. Otherwise by "the Twins" we typically are referring to the team owner, Carl Pohlad, and the top management staff headed by team president Jerry Bell.

In January 1996, the Twins went on the initiative with a large mailing to ticket buyers and other supporters. Addressed generically to "Twins Fans," the letter was an appeal for grassroots support for legislative approval of a new stadium funding package. It began: "Community, political, and business leaders who recently studied the professional sports market in Minnesota agree: A new ballpark is needed to keep Major League Baseball in Minnesota. But what about the public? Shouldn't they have a say in whether Major League Baseball stays in Minnesota?" Specifically, it asked Twins fans to call on the legislators in their districts to encourage the establishment of a non-binding baseball stadium financing referendum for the September 1996 primaries. The letter was accompanied by a fact sheet that provided concise responses to questions about the new stadium initiative, particularly detailing the need for a new stadium and the potential benefits to be realized by fans and the community. In addition, the mailing contained a self-addressed postcard for the recipient to fill in and return to the ball club if he or she would be "willing to help out with the referendum campaign, assuming the legislature puts the issue on the ballot." As it happened, the postcards that were returned went into a file of active supporters and this list of names later became an initial roster of contacts for Minnesota Wins, the front organization that was formed and financed in part by the Minnesota Twins, the Minnesota Vikings, and local corporations. This nonprofit organization was intended to help "generate grassroots support at the legislative level," according to St. Peter.

The text of this mailing foreshadowed many of the arguments that the Twins and stadium boosters would make as they geared up their public relations effort. Chief among them was the claim that the 15 year-old Metrodome had lapsed into financial obsolescence:

In the past, ticket sales were the primary revenue source for professional sports. Over the years, additional revenue sources have been generated through advertising contracts, parking, concessions and more recently, from stadium revenues created by quality seating, suites and signage.

The problem: As costs rise, small market teams, like the Minnesota Twins, have difficulty competing for players without additional revenue sources. Small markets such as Baltimore, Cleveland, Milwaukee, Seattle and Denver have rejuvenated struggling franchises with new outdoor stadiums, helping their teams to be more competitive. The Metrodome, built in 1982, simply can't generate enough revenue streams for both the Vikings and the Twins. As a result, both teams are near the bottom nationally in terms of team revenues which restricts their ability to attract competitive players.

A solution: Let the Vikings play in the Metrodome and build a new open air stadium for the Twins.

The specific impediments to profitability are then listed and are summarized here:

- 1. <u>Poor Sightlines</u>: Because of its dual-use capacity, the rectangular dimensions of the Metrodome make for poor baseball sightlines. All of the seats are oriented toward the fifty-yard line of the football field, not the pitcher's mound, as is ideal for baseball. The result of the Metrodome's baseball seating dimensions is that fans sit at up to ninety degree angles away from home plate. This discourages fans to attend games.
- 2. <u>Lack of "Quality" Seats</u>: Because of the poor sightlines, the Twins claim to have only approximately 6,000 "quality" seats, with direct frontal views of the pitcher's mound, to sell as season tickets.
- 3. <u>Lack of Advertising Revenue</u>: The Metropolitan Sports Facilities Commission controls the majority of in-stadium advertising. In addition, the Hubert H. Humphrey Metrodome does not have a naming rights contract, which has proven to be an effective revenue source for teams.
- 4. <u>Lack of Suite Revenue</u>: The Vikings own all of the Metrodome's private suites, an enormous revenue source for teams in all major

professional sports.

5. <u>Lack of Parking Revenue</u>: The Twins do not receive any revenue from the various private and city-owned parking facilities surrounding the Metrodome.

Basically, reason number one for wanting a new stadium is money—a desire for more of it. The deficiencies attributed to the Metrodome directly impact the bottom line of the Twins.

Another appeal invokes the pastoral tradition of the game and the aesthetic experience of watching an outdoor baseball game. The Twins describe the relatively modern phenomenon of multi-purpose, domed or convertible stadia as an anachronism: "Single-use ballparks are the trend as multi-use stadiums are vanishing. The new generation of ballparks are open air and give fans the outdoor experience of watching baseball. They also provide baseball tenants a chance to compete by providing the required revenue streams." In fact, the grand old tradition of Major League Baseball (MLB) has been undergoing or deliberating a series of modern innovations (such as interleague play). Yet recently it has become the trend for teams and cities to construct retro-style ballparks with cast-iron rails and seats and old-fashioned scoreboards, among other features. These retro-stadia, such as Camden Yards in Baltimore and the Ballpark of Arlington, Texas, are replete with expensive modern amenities that produce the sorts of revenue streams that the Twins covet.

Another point introduced in this early mailing invokes the partnerships formed between other MLB teams and their states or cities as examples for this area to follow:

Other states have financed new ballparks with a variety of revenue sources including public and private. Almost every ballpark built within the last five years has involved a sharing of the cost by the public, business community and the team. The Twins are willing to make a contribution to a new ballpark that is consistent with what teams have done in other cities. The Twins have also said they'll sign a long-term lease in a new ballpark.

Perhaps implicit in this point is the unspoken danger of franchise free-agency. The accommodations made by other cities to professional teams provides an example for Minnesota leaders to follow, but it also suggests the warm welcome a team such as the Twins could potentially receive in another locale. Later, much was made of the Twins' reluctance to "threaten" the Minnesota public and elected officials with relocation to another area in the course of their negotiations, yet to some extent this possibility is already introduced with this opening salvo of the team's stadium drive.

The drafters of this letter anticipate criticisms directed at the wealthy team owner and his desire for a public subsidy: What is the Twins current financial situation? The Pohlad family purchased the team for \$35 million in 1984 to keep the Twins in Minnesota. The total costs incurred by the Pohlad family for acquisition and operating subsidies now total \$110 million, which is substantially more than the current market value of the team. In 1995, the team lost \$13.5 million. The most optimistic forecast shows the team will continue to lose money on an annual basis.

Despite the vagaries of accounting practices and the strict confidentiality in which payroll and overhead expenditures are held by the Twins and Major League Baseball, the claim to have lost money in recent years seems legitimate. The Twins were able to satisfy the Metropolitan Sports Facilities Commission, the public body overseeing the Metrodome's administration, of this fact in order to successfully invoke the escape clause that existed in the terms of their Metrodome lease. Notwithstanding Carl Pohlad's well-publicized perennial status as one of the richest Minnesotans, the Twins counted on the public's good will in understanding Pohlad's right to turn a buck in his enterprises. Furthermore, in this statement, the Twins recall the praise that was commonly heard in Minnesota when Pohlad purchased a controlling interest in the team in 1984 from previous owner Calvin Griffith, who had brought the team to the state in 1961 from Washington, D.C., and who was considering returning his struggling franchise to that area. Pohlad was lauded in the media at that time for "saving the Twins" for the people of Minnesota. Nevertheless, the phrasing of this argument tends to spread responsibility for ownership and management of the team from Pohlad himself to the "Pohlad family." This rhetorical maneuver probably is aimed at the public's proclivity to look more favorably upon family-run enterprises, despite the fact that sons Robert C. ("Bob") and James O. ("Jim") Pohlad publicly had expressed little interest in the management of the franchise in the years preceding the start of the stadium campaign.

Finally, the mailing offers a positive vision for the future:

What are the benefits to the fans? A new outdoor baseball stadium would provide several benefits to Twins fans:

• Fans will be able to enjoy the outdoor baseball experience.

- The Minnesota Twins will make a long term commitment to Minnesota.
- Minnesota will be able to field competitive players.

• Reduce the pressure to raise ticket prices (a Twins ticket is the most affordable of the major league sports).

The benefits outlined here are directed almost exclusively at Twins fans, not the general public, since those who do not follow the team would not realize or appreciate such advantages. And the implicit threat of franchise free-agency reappears in the benefit offering that the Twins "will make a long term

commitment to Minnesota." Since this is a proposed benefit of a new stadium, the implication is that continued occupancy of the old one may prompt their departure from the area. Here, the Twins' optimistic appeal can be seen as offering the recipients of this letter the promise of a future payoff in exchange for their active support today. In a sense, these advantages are the wage offered to prospective volunteers who return the enclosed postcard to offer their support.

One more noteworthy item from this mailing has to do with the timing of the proposed referendum vote. The letter directed Twins fans to request that the referendum be a part of the primary election slate and not an item for the general election in November. Following is an excerpt from the letter that explains the reasons for this:

Why should the non-binding ballot question be included in a primary election rather than the November general election? The November 1996 general election in Minnesota is a major election with balloting for President, U.S. Senator, eight congressional districts and all 201 state legislative seats. Several have suggested that the stadium referendum issue be placed on the September Primary ballot for two reasons: • There are more important issues to be decided on the November General Election ballot. A September vote on the stadium means that the stadium issue will not dominate or overshadow the important races to be decided in the general election.

• It is anticipated that the September Primary Election will have few major races which would allow the opportunity for greater public discussion and understanding of the issues involved with the stadium ballot question.

From the Twins' perspective, it was crucial to obtain the public's input through a referendum after the ball club and its legislative supporters had had an opportunity to present their side of the issue but before voters were bombarded with persuasive appeals from politicians running for every office from President to municipal councilmember in the November elections. Plus, given the much lower turnout that typifies Minnesota's primary elections, it was assumed that strength in fan numbers at the primaries could bolster the referendum's chances for approval. As the Twins communications director later put it, "Frankly, we thought our chances were better if it was voted on in September. If you put it in the general election, the more people who vote, the less chance you'll have that it'll pass. You know, people were voting for everything in November, including for president."

One result of this mailing in early 1996 was to assist an organization designed to further the campaign for a new stadium. This group would eventually be called "Minnesota Wins." "This was the first mailing that we did that really helped set up Minnesota Wins' database," said Twins communication director Dave St. Peter. Minnesota Wins was organized in March 1996 after the failure of the legislature to approve a stadium referendum bill. This was a non-profit corporation that was funded by "local corporations and stadium boosters." Among its key contributors were the Minnesota Twins, the Vikings, and Cowles Media.² Members of Minnesota Wins' executive board included a number of officials who were former state executives and associates of Governor Carlson, including Joe Weber, who had resigned as Carlson's deputy chief of staff in the same month as Wins' incorporation and who now was serving as that organization's executive director. Minnesota Wins' offices were located at the Midway Plaza in St. Paul, the same site where Carlson's gubernatorial campaign headquarters formerly stood.

Ostensibly, the purpose of Minnesota Wins was to generate "grassroots support" for various professional sports initiatives in the Twin Cities. It was not meant to be seen as an operating arm of the Minnesota Twins or the Pohlads. For instance, Minnesota Wins claimed to be able to offer assistance to the Minnesota Vikings who also were unhappy with their lease at the Metrodome. Also, efforts were underway in St. Paul to build a new arena in order to attract a National Hockey League expansion franchise for the year 2000, and Minnesota Wins offered lip service to this cause as well. But the vast majority of Wins activities were the largest contributors to the group. Minnesota Wins' activities after its May 1996 incorporation included the following:

- 1. <u>Corporate fundraising</u>: By September 1996, Minnesota Wins raised \$1.2 million from 17 Minnesota corporations with a goal of collecting at least \$2.5 million.
- 2. <u>Fan solicitation</u>: Wins distributed self-addressed stamped postcards at Minnesota Twins homegames as part of an information kit that includes a new five page letter of questions and answers. The letter reviewed much of the story of the Twins' drive for a new stadium, with a list of its arguments for both the obsolescence of the Metrodome and the potential benefits of a new facility.
- 3. <u>Citizen surveys and focus groups</u>: Public feedback was solicited through focus group sessions in both Duluth and Mankato, Minnesota, while a number of telephone surveys were commissioned by Minnesota Wins. By and large the results tend to show public sentiment running adamantly against public subsidy of a new stadium.
- 4. <u>Direct legislative lobbying</u>: Minnesota Wins at one time has 14 lobbyists working on its behalf at the state capitol. A significant amount of its budget went to financing and coordinating these lobbying activities.

² Cowles Media was the parent company of the <u>Star Tribune</u>, the newspaper with the largest daily circulation in the state. The paper has since been purchased by the McClatchy Newspaper Incorporated.

The last point listed here bears special emphasis. The Twins apparently began with the belief that public sentiment could be swayed to support public funding of a new stadium---otherwise, why seek a referendum? By the time Minnesota Wins was organized in March the target audience for the campaign switched from "the public" to the Governor and the state legislature. Why? Because the citizen feedback received by Minnesota Wins carried gloomy implications for the possibility of public funds being used to aid in the construction of a new ballpark. As we document in chapter four, public opinion was consistently opposed to public funding. One Minnesota Wins poll conducted in the fall of 1996 showed a 6 to 1 ratio of Minnesotans who "strongly opposed" public funding for a new stadium over those who "strongly favored" it. However, another survey indicated that Minnesotans were reluctant to outright lose the Twins via a sale or relocation. Minnesota Wins' representative John Himle warned that "legislators who vote against the new stadium might face 'political consequences'." Given the overwhelming opposition expressed even in Minnesota Wins' own findings, it is unlikely that many legislators saw this as a realistic threat.

Later, Himle correctly attributed much of the public's opposition to "the demise of the fan concept." Minnesota Wins research continued to show that people resent the high salaries of players and the profit motives of team owners. Professional baseball has become much more of a business than a sport in the eyes of many respondents. According to Himle, one survey questioning the extent of Minnesotans' fan enthusiasm found that only some 16% to 18% of respondents across the state consider themselves avid fans of professional sports. A full 50% declared themselves ambivalent, while the rest were decidedly not followers of professional sports.

Despite numerous newspaper and television editorials in favor of public investment in a new stadium during 1996, the referendum initiative continued to fizzle due to "a lack of legislative support" and general public opposition. Apparently wary of prematurely politicizing the issue and offering skeptical state politicians the opportunity to ride their opposition to public funding for a Twins stadium through the November election, the Twins and Minnesota Wins kept a relatively low public profile for the remainder of the year. Former gubernatorial candidate and Democratic state senator John Marty had already been speaking out against public funding for a new ballpark and had been actively seeking commitments from other legislators to vote against any such bill in the future. The Twins, however, were planning for a major drive to begin in early 1997. The Twins perceived that the timing of an opportunity for escaping their Metrodome lease could not have been better. Because 1997 was an election off-year, Minnesota legislators would be more likely to make the hard choice to support a high-profile industry in the state despite the public's grumblings about "bailing out a billionaire."

In January 1997 the team unveiled a locally-commissioned design for an elaborate new ballpark located on the Mississippi riverfront in downtown Minneapolis. The team's press release described the proposed facility as a "state-of-the-art, convertibleroof ballpark which will provide fans throughout the Upper Midwest with the nation's premier baseball venue." In keeping with the trend in Major League Baseball for retro-style facilities, the ballpark design "combines advanced movable roof technology with an overall style reminiscent of the more traditional baseballonly facilities. While multi-purpose venues such as the Metrodome are not designed specifically for the game of baseball, the Twins new ballpark will give fans one of the most intimate seating configurations in sports today." The ballpark was to consist of a 42,000-person seating capacity, with 32 expensive private suites and a full-service restaurant and bar, among numerous other remarkable features:

> Unlike the Metrodome, every seat will be angled toward home plate providing fans with a better, unprecedented perspective of the game. Although ticket prices for the ballpark are yet to be determined, the Twins remain committed to providing fans with the region's most affordable professional sports entertainment option. In addition to great baseball, this facility is designed to be a family-oriented entertainment complex. Outside the park, plans call for a Plaza Area featuring locations for entertainment, outdoor dining and retail opportunities. Once inside the stadium, fans will enjoy the region's widest concourses, an outstanding selection of foods, an interactive area for kids and a full-service restaurant and bar. In addition, plans call for the ballpark to house a Minnesota Baseball Hall of Fame Museum and retail store designed to be open and accessible to the public twelve months a year.

> The Twins ballpark will be the fourth convertible-roof facility to be constructed (Milwaukee's Miller Park, Arizona's Bank One Ballpark and the Seattle Mariners ballpark are currently under construction). However, while the roof will remain in view when open in Milwaukee, Arizona and Seattle, Minnesota's design calls for the roof to move completely off the ballpark in less than 15 minutes. When open, fans inside the park will have the experience of an open-air ballpark as the roof covers an area outside the stadium's confines. During cold or inclement weather, the roof will be closed and the environment can be conditioned to always ensure a comfortable fan experience and no rainouts.

> The natural grass playing field will be located 13 feet below street level and will be slightly asymmetrical. From home-plate to the left field foul pole will be 330 feet, while the distance down the right field line will be 320 feet. The power alleys will be 376 feet to left and 360 feet to right with straightway center field 405 feet from home plate. The height of the outfield wall varies, ranging from 13 feet in left to eight feet in right and 39 feet in center (batter's eye).

One of the ballpark's most fan-friendly features is an area of outfield seats known as The Porch. Accessed from the Street Level, this 1,500-seat left field section is made up of a pair of porches slightly overhanging the outfield wall. Similar to the famous upper deck right field porch from Detroit's Tiger Stadium, The Porch is certain to be a favorite destination for fans seeking the elusive home run ball.

The ballpark's color schemes feature the familiar rich tan tones of Minnesota-native kasota stone in combination with a light-brown brick. The building's exterior is complimented by the deep maroon steel framework with all seating shaded Fenway green. "It's important to the Twins, and to the people here, that the ballpark be knitted into the fabric of the Twin Cities," said Bill Johnson, vice president and design principal for [architecture firm] Ellerbe Becket. "We've built on a sense of tradition to create a themed environment where the ballgame is the centerpiece of a day's activities."

The design of the proposed stadium was ambitious and its construction was to be costly. Its early unveiling was probably intended to stir the blood of ardent Twins fans who might then mobilize in support of public involvement in the project. While the stadium design itself was widely acclaimed by fans and the media, it did not materialize as the motivating factor that the team hoped would help carry the day with the proposal of a legislative funding package jointly conceived by the ball club and government officials a month later. In fact, the eruption of controversy over this funding plan was to quash any initial momentum generated by the new ballpark design.

In January 1997 the first specific funding plan also was introduced in the state legislature. It had been conceived by key House and Senate legislators in conjunction with Governor Carlson and his staff and Twins' upper management. Its key provisions involved a joint stadium financing partnership between the Twins and the State of Minnesota in which a 49%, non-voting stake in the franchise would be transferred to public ownership upon legislative approval (see Appendix 1 for a detailed project summary). As promised, the Pohlads planned to contribute significantly to the project with a substantial cash infusion of some \$157 million out of an estimated budget of nearly \$350 million. The following is a summary of the deal's key features:

Proposed Ballpark Partnership:

1. 30-Year Lease Commitment - The Twins will enter into a 30-year lease commitment to play baseball in the new ballpark.

2. Pohlad Contribution - The total Pohlad contribution toward the new ballpark includes the following:

a. Cash Contribution - The Pohlads will invest \$82.5 million in cash in the new ballpark.

b. Up-Front Project Revenues - The Pohlads will contribute up-front payments of project revenues to fund the ballpark, at \$25 million. These revenues will include naming rights, concessionaire payments and other project capital opportunities.

c. Ownership Interest in the Twins - The Pohlads will contribute a 49% ownership interest in the Minnesota Twins to the public, with a value in excess of \$50 million. The Pohlads will continue as the general partner and will be responsible for funding 100% of any operating losses. The public's 49% owner-ship interest will be as a limited partner with limited liabilities.

Total Pohlad Contribution:

\$82,500,000 \$25,000,000 \$50,000,000

\$157,500,000

3. Allocation of Operating Profits - Operating profits will be shared based on ownership interest in the Twins (51% Pohlads; 49% Public). Such distribution to the Public or Authority will represent the team's rent for playing in the new ballpark.

4. Future Franchise Appreciation to the Public - Appreciation above the Pohlad's net after-tax investment in the Twins will accrue primarily to the Public.

5. Public Right to Purchase the Twins - In the event the Pohlad family members desire to sell their interest in the Twins and the ballpark, they will agree to sell their ownership to the Public, until a suitable successor is found, subject to MLB approval. This will provide to the State of Minnesota control over who will own the Twins in the future.

At first glance, the plan appeared to be a good one. It seemed to address the public outcry over taxpayer investment in a private corporation by "going public" in a wider-than-usual sense. It included a major contribution on the part of the Pohlads, it gave the public a partnership in the franchise for its investment, and it limited the public's risk of potential operating losses by making the Pohlads responsible for budget overruns. Initial media coverage suggested that public opposition perhaps would subside in light of the "generosity" of Pohlad's "offer":

> With his stunning offer to put up as much as \$158 million of his own resources toward a new Twins ballpark, team owner Carl Pohlad may not have silenced opposition to public financing for the rest of the cost. But he sure squelched one of the favorite rationales for that opposition. No longer can it be plausibly argued that Pohlad wants the public to buy him a fancy new ballpark so he can get richer than he already is. Pohlad has agreed to contribute an unprecedented \$82.5 million in up-front cash,

\$25.5 million in concession fees and other rights, plus a 49 percent share of the team—worth an estimated \$50 million. (Star Tribune 1/10/97)

It did not take critics long to find faults in the proposal. The plan granted virtually no operational authority to any public body overseeing the state's 49% share. It contained an out-clause by which the Pohlads could sell their half to the state at the end of five years at the pre-agreed upon pro-rated price of \$105 million, which would represent a substantial return on their original 1984 investment. The proposal would place sole responsibility upon the state for finding a new buyer, local or otherwise, and for covering any operating losses incurred after the Pohlads exit. The biggest furor, however, erupted after a close examination of the fine print of the proposed sales agreement determined that the majority of the Pohlads' upfront contribution, the \$82.5 million "investment" listed above (described in the media typically as a "cash contribution") was to be in the form of an interest-bearing loan from Carl Pohlad to the state. Combined with the \$25 million outlay-which was in fact an advance on expected profits in the new stadium and not a direct expenditure of team ownership-and the \$50 million "gift" of the 49% share of the team to the state, the Pohlads' contribution began to look like a disingenuous attempt to guarantee profit from a secured deal with the state.

The negative reaction to the plan in the legislature was deafening. If there had been any doubt as to whether the Pohlads were seeking a public bailout for the Twins, it faded in the din of criticism to which many legislators were eager to contribute. State senator Roy Terwilliger, a supporter of a new stadium, singled out this event as the moment at which opponents of the stadium issue "were able to turn this into a class status issue. Once the issue had been turned into a soundbite exercise, the situation polarized." After the Twins put most of their eggs into this financing plan, its turn as legislation before the Minnesota House and Senate was never successfully hatched.

In February 1997 Minnesota Wins received the Economic Impact Report it had commissioned from Arthur Andersen LLP, an international accounting and financial advising firm. This report was to be an independent analysis of the potential economic benefits of constructing a new baseball-only stadium for both the state and the City of Minneapolis. The Andersen report focused on economic factors such as the non-recurring impact of the construction project that would be required, a comparison of the current economic contribution of the Metrodome to the area versus projections for that of a new stadium, and estimates of the economic activity generated by newly-constructed ballparks in other major league cities.

Even with conservative financial projections based primarily on direct economic benefits and not on more speculative multiplier effects, the Andersen report contended that there would be significant economic advantages and growth resulting from having a new stadium built in Minneapolis. Minnesota Wins sought to tout the Andersen report's findings to the legislature as solid grounds for going ahead with the public subsidy. However, a number of questions—about the quality and quantity of jobs that would be generated and whether any increase in economic activity derived from a new stadium would necessarily be a net increase in new spending—challenged the accuracy of the report. The subsequent criticism of the report thwarted Minnesota Wins' attempts to frame the issue as that of a government investment in the creation of jobs and economic development for Minnesotans. We provide our own summary and assessment of the Andersen report in chapter three of this book.

In part to regroup after the explosion over the team's legislative proposal, the Twins in April 1997 brought in marketing consultant Pat Forciea, who had been in the organization since January 1996 working part-time to help in marketing and ticket promotions. Forciea is the Assistant Athletic Director for Marketing at the University of Minnesota, had formerly worked in state democratic political campaigns, and had been chief of marketing for the Minnesota North Stars from 1991 to 1993. Well-liked by state and local politicians as well as on the Twin Cities sports scene, Forciea looked to be a promising candidate to redirect the team's stadium strategy after its previous missteps. Perhaps seizing on the perception that Pohlad's \$82.5 million loan had been an attempt to pull one over on the public, Forciea commented, "I've never been in a campaign where we haven't talked openly and honestly to people. That's going to change." Forciea can be excused for failing to recognize the double-entendre of his statement.

At times during the 1997 legislative session, various stadium finance plans rose and fell in the legislature. Some had the blessing of the team, while others may have been tough for the Twins' ownership to swallow. All were either defeated or shot down while they were still at the trial-balloon stage. Meanwhile, the Twins' private and public campaign marched on. In the spring of 1997, the Twins encourage the Minneapolis City Council and Mayor Sharon Sayles Belton to proceed in deliberations of where to locate a new stadium. A number of downtown sites are selected to choose from. On June 9, Governor Carlson, who had been working closely with the Twins front office both directly and through associates at Minnesota Wins, first threatened to convene a special legislative session in the fall if the legislature were to adjourn without first settling the matter of stadium financing. The next day, Twins owner Carl Pohlad addressed the executive council of Major League Baseball, of which he is a member, to seek league approval for a potential sale or relocation of the team. Two days later, MLB officially advised Pohlad to plan to move or sell the franchise if the Minnesota legislature failed to approve funding. Finally, current and former Twins players are employed in the public relations effort: Current Twin Paul Molitor and former slugger Harmon Killebrew are present at the stadium design unveiling, and fan favorite Kirby Puckett, newly retired after contracting debilitating glaucoma, traveled with team officials to outstate towns and cities to press the flesh and speak in favor of a new stadium.

From the Twins' perspective, the next major event in the saga occurs on October 4, 1997, when Pohlad made public a signed letter of intent to sell the franchise to North Carolina businessperson Donald C. Beaver, who already had expressed his intention to move the team to the Triad region of his home state. The deal is contingent on a number of factors, including the possibility that the Minnesota legislature might yet pass a funding package for the construction of a new stadium in the Twin Cities and that the sale must first be approved by the Major League Executive Council. A summary of the letter of intent follows:

<u>Assets to be Purchased</u> -- Upon finalization of this agreement, all assets of Minnesota Twins will be transferred to North Carolina Major League Baseball, including:

• The rights to own and operate the "Minnesota Twins" Major League Baseball franchise.

• The Minnesota stadium lease for the 1998 season.

• All player contracts.

• All broadcast rights for the 1998 season or proceeds thereof.

• All rights to the ball club's spring training operations in Fort Myers, Florida.

<u>Purchase Price</u> -- Both the buyer and the seller are prohibited from disclosing the purchase price and payment terms due to a confidentiality agreement.

Interim Operating Agreement -- Should the franchise be sold to North Carolina Major League Baseball, the team will play the 1998 season in the Metrodome under an interim operating agreement allowing the current Twins management team to run the ball club's day-to-day operations. The ball club would relocate to the North Carolina market prior to the 1999 season.

<u>Due Diligence</u> -- North Carolina Major League Baseball will have until November 30, 1997 to perform its due diligence on the proposed acquisition.

<u>Other Conditions to Closing</u> – Per the letter of intent, the sale of the Minnesota Twins to North Carolina Major League Baseball is contingent on a number of factors, including:

• Finalization of the definitive purchase agreement by November 30, 1997.

• Approval of Major League Baseball, including the American and National Leagues. Any necessary governmental approvals.

• Approval of buyer and seller board members.

• Failure of the Minnesota Legislature to approve a stadium proposal acceptable to the Twins (See Critical Dates Section Below).

Agreement on liabilities to be assumed.

<u>Critical Dates</u> -- The key dates associated with this agreement are as follows: The date of sale, without an acceptable stadium proposal is the later of November 1, 1997, or the end of the special session (sine die). In

no event will the date of sale be later than November 30, 1997. If the Minnesota Legislature approves a stadium proposal in the special session, the parties have until March 31, 1998 to finalize a stadium lease agreement.

<u>Confidentiality</u> -- The only provision of the document subject to the confidentiality agreement is the purchase price and terms of payment. <u>Dealings with Other Parties</u> -- Per the terms of the agreement, the Pohlads are precluded from negotiating with any other parties unless it includes an effort to build a new stadium in Minnesota.

If the threat to move the team had been only veiled or indirect before, it now took on a very material form in the Pohlad-Beaver sales agreement. Pohlad told the local media "The whole objective is we had to have a deadline. You can't go on in limbo forever. The feeling of everybody concerned was that we've been screwing around for two years. How much longer can you debate it? Vote it in or vote it out." In reference to the issue of franchise relocation, Pohlad stated "We've never intended to put any pressure on or give that impression." Indeed, one of the key players interviewed for this research indicated that he thought the threat to move should have been overtly expressed before it came to such a stage. He faulted Pohlad for "not being ruthless. He should have played the blackmail game earlier—that is, threaten to move."

Still, Pohlad was not quite committed to uprooting his team just yet. He continued to actively seek legislative approval for some public subsidy of a new Minnesota stadium. The situation seemed headed for a climax when Governor Carlson called the legislature into special session on October 23, 1997. No fewer than eight funding plans awaited deliberation in the House and Senate. Pohlad and his advisers came prepared with their own proposals. Said Pohlad in a statement at the capitol,

It is ironic that baseball, which brought us all together back [in 1987 & 1991] has divided us now. It has been a long and unpleasant process for all of us. Now it is time to find a way to bring our community back together and move forward. Toward that end, we are prepared to pay \$111 million toward a new, retractable roof stadium. This is the amount recommended by the Stadium Task Force and after considerable thought, my family and I are prepared to make this offer bringing our total investment in keeping Major League Baseball in Minnesota to more than \$230 million. Our investment is only one part of the solution, of course. We hope that the legislature can work together to determine the other.

The following is a quick rundown of the proposal forwarded at this stage in the campaign:

Minnesota Twins Ballpark ProposalBallpark Cost\$411,000,000Minnesota Twins Commitment\$111,000,000

Premised upon the following:

A. All project revenues accrue to Twins.

B. Twins agree to pay 100% of game-day operating expenses.

C. On-site parking revenue sharing arrangement.

D. No user fees or ticket taxes.

E. Metrodome lease enhancements at least \$3.5 million per year.

F. Rent for the first 10 years is prepaid as part of the Twins' contribution.

G. Community use operating expense allocation for nongame days.

H. To the extent that user fees, special taxes, etc. that affect team revenue are levied, our contribution would be reduced accordingly.

Mutual Conditions Necessary for Project Commencement

A. Season Ticket Guarantee - 10,000 in 1998; 13,000 in 1999; 16,000 in 2000; 19,000 in 2001; 22,000 in 2002 (Opening Day).

B. Suites - Seven-year commitments for 80% of the suites.

C. Club Seats - Commitments for 80% of the club suites.

Host Community Commitment \$50,000,000 Land, infrastructure and site preparation for ballpark with adjacent parking structure.

State of Minnesota Commitment\$250,000,000Total Ballpark Cost\$411,000,000

Legislators reacted to Pohlad's offer to contribute a much larger sum of money than he had previously put on the table with typical aplomb. The money was greater, but those who were against a deal on the principle that it should involve no tax dollars were never tempted. However, Pohlad was quick on the draw; in almost an afterthought to his discussion of his latest offer before a joint House-Senate committee, Pohlad suggested he would be willing to donate the team to the state or to a nonprofit foundation in return simply for the state assuming the more than \$80 million in debt that had accrued since his purchase of the team. This became known as the "community ownership" plan. Official reaction to this latest offer would have to await a formal proposal, however.

Meanwhile, frustrated with the lack of progress with the state legislature, Twins' leadership decided once again to try to sway public opinion. The Twins began to run a series of television ads that were designed to evoke the memories of the team's winning days and its place in Minnesota history. One such commercial, which aired Tuesday, November 4, 1997 on the Twin Cities' CBS and NBC affiliates, begins with the words "An 8 year old" in white type on a black screen. The black screen then fades to a washed-out video of Twins outfielder Marty Cordova entering a hospital room and walking toward an unidentified, young bald boy with his back to the camera. The voice-over says, "If the Twins leave Minnesota, an 8-year-old from Willmar [MN] undergoing chemotherapy will never get a visit from

Marty Cordova." Cordova hands what looks to be an autographed baseball to the boy as another voice in the background says, "I think Marty brought you something, too." The ad then dissolves again to a black-screen title which reads "Call your legislators" in white type.

This advertisement became a public relations heart-attack. By the following Friday, it was widely publicized that the young cancer patient shown in the scene had already died of his disease by the time the ad ran on television. Furthermore, outfielder Cordova was unaware that footage of his visit to the Minneapolis Ronald McDonald House would be used in a persuasive pro-stadium commercial. Angry and embarrassed by the controversy kicked up by the ad, Cordova said from his off-season home in Nevada, "I'm [2,000] miles away in Las Vegas, I don't know what's going on in Minnesota. It's kind of sad." The local weekly newspaper <u>City Pages</u> later refered to this public relations disaster as the "Give us your money or this kid dies!" commercial.

The timing of this latest furor could not have been worse. On Thursday, November 6, 1997, Twins president Jerry Bell, Governor Carlson, both mayors of Minneapolis and St. Paul, several legislative stadium supporters, and a few prominent local businesspeople gathered to present the framework of a community ownership plan which was to be unprecedented in professional sports and Pohlad's absolute last bid to the special session. The deal was to involve Carl Pohlad's transfer of the team to a community foundation. Such a foundation would assume the team's \$80 million debt and would distribute potential profits to charities on a statewide basis. The Pohlads would assume all risk of operating losses in the years until the stadium opens. The foundation would hold the team for three to five years until sold. Sale options would include a public stock offering and a sale to local investors with the provision of keeping the team in Minnesota for the term of a thirty-year lease. A November 6, 1997 press release issued by the governor's office:

"This new plan keeps the Twins in Minnesota, establishes community ownership and takes the first step to meeting the Minnesota Vikings' needs," said Governor Arne H. Carlson. "This is the responsible way to fund sports because we are using money that only exists if the teams are here. The bulk of these dollars leave with the teams. We either use it or lose it."

Baseball Stadium

The State of Minnesota will build a \$250 million outdoor, baseball-only stadium which will not have a retractable roof but will be designed to allow a roof to be added later. The Twins will sign a 30-year irrevocable lease. There will be a \$75 million non-state investment in the stadium and the State will sell bonds to cover the remaining \$175 million. The state will use taxes and revenue generated by the Minnesota Twins and Vikings operations to service debt on the bonds.

\$75 Million Non-State Investment

The non-state investment will be financed through the Metropolitan Sports Facilities Commission. This financing is at no cost and no risk to state taxpayers.

Community Ownership

100 % of the Minnesota Twins are transferred to a not-for-profit statewide community foundation. Any gain on the sale accrues to the foundation. It is the Pohlad's intent that proceeds from a gain are distributed to charities on a statewide basis by the foundation. The Pohlads will transfer the team to the foundation and guarantee the team debt and operating losses. When the team is sold, the Pohlad debt will be repaid but the gain on the sale goes entirely to the foundation.

• Citizen Ownership Through Stock Purchase

The foundation is to hold the team for three to five years until sold. The Pohlads guarantee operating losses until the team is sold, and none of the operating losses are to be recouped by the Pohlads. Sale options include a public stock offering and a sale to local investors.

Vikings Solution

Sports generated revenue will exceed what is needed to service the debt on the new baseball stadium. The excess funds can then be diverted to assist the Vikings with their stadium issues. The Legislature will work with the Vikings to develop a plan to improve the Metrodome and increase revenues.

Business Community

The business community has been active in developing the plan and has agreed to support the Twins in the form of season tickets purchases and luxury suite leases. The business community will guarantee the purchase of Twins tickets and suites.

"We have listened to the public who have told us they do not want their tax dollars used for a sports stadium," Governor Carlson said. "But we have also heard the public tell us they want the Twins to stay. This plan is our last and our best package to keep the team from leaving Minnesota."

At this point, it seemed likely to Pohlad, the governor, and all involved in preparing the community ownership plan that this sort of pull-out-all-stops proposal would carry the day even among the most wary and recalcitrant of the legislators gathered in the special session. Said Dave St. Peter of the Twins:

The final bill that was before the state legislature, honestly speaking, was a bill that the Twins would have had a hard time accepting. This was not a

good deal for the Minnesota Twins. But it would keep baseball here. It und would get a stadium built for the people of Minnesota with less tax money or state in its than the Minnesota Wild hockey rink, And yet it was soundly defeated in the House. That's a decision that I'll never understand. It was not a boondoggle for Carl Pohlad, far from it. He was giving up his baseball team, he was giving up all the net gain on it f_{1111} . The fact that that stadium deal didn't pass really made you wonder if anything could have aan in passed last year. I think most of us felt that if Carl Pohlad would have walked into the legislature and said "I'm going to build a stadium on my own," they would have found a way to turn that down too.

The lingering acrimony that surfaced in the protracted stadium debate would eventually smother the community ownership plan. The public's mistrust of Pohlad's intentions, the perceived slight-of-hand with which he offered the \$82.5 million loan in his first legislative proposal earlier in the year, and the negative publicity of the team's allegedly exploitative advertisement featuring Cordova and the sick child, seemed to have irrevocably poisoned the well for the passage of any stadium financing plan that appeared to bail Pohlad out of debt. Negative calls continued to pour in to state legislators' offices. esere arrest

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Additionally, some legislators objected to the specifics of the plan. For instance, the establishment of a new state scratch-off lotteny game to help finance the plan was denounced by some as an expansion of gambling in the state and by others as an indirect draw on the state's general fund. Furthermore, according to Representative Jean Wagenius, this plan-partially involving a combination of player income taxes and user fees—"wasn't a user fee plan. That was the rhetoric, but it wasn't the reality." Senator Allan Spear elaborated on this idea: "The 'user fees' that were being suggested were in actuality new taxes that would be levied on downtown Minneapolis eating and entertainment establishments (which are already taxed at 10%), thereby placing a significant additional burden on restaurant, bar, and theater patrons who were quite possibly not fans of Minnesota Twins baseball.". The definition of "user" in the proposal for user fees—apparently covering patrons of a variety of downtown entertainment and hospitality businesses—was thus too broad for many legislators to accept. A week after its official presentation, the community ownership legislation went down to defeat in the Minnesota House of Representatives by a vote of 84 to 47. Party affiliation had little to do with the results; voting for the plan were twenty-one Democrats ("Democratic-Farmer-Labor Party") and twenty-six Republicans. Against the plan were forty-eight Democrats and thirty-six Republicans. A week later, the Minnesota Twins released the following statement:

> Over the past three years, Carl Pohlad and the Minnesota Twins have done everything in their power to keep Major League Baseball viable in the Upper Midwest.

Despite changes in the economics of professional sports, we continue to believe keeping the Twins competitive, and in Minnesota, would be of great financial and social value to our state. The key to that competitiveness and value, we have become convinced, is the building of a new state-of-the-art ballpark. However, as plan after plan for stadium construction was rejected—including an offer to transfer the team to a charitable foundation—the Minnesota Twins were left with no alternative but to sign a letter of intent for the sale of the ball club to North Carolina Major League Baseball, LLC, a company led by North Carolina businessman Donald C. Beaver. This agreement was only reached after the Pohlads received no acceptable local offers guaranteeing them or Major League Baseball that the team would remain in Minnesota, and a new ballpark would be constructed.

Per the letter of intent and the instruction of Major League Baseball, Mr. Beaver now has the exclusive right to purchase the Minnesota Twins. Said letter of intent precludes the Pohlad family from negotiating with any additional parties.

The sales agreement with North Carolinian Beaver itself would go the way of the many Minnesota financing proposals. It expired on March 31, 1998, though informally the parties extended the agreement until North Carolina voters rejected a referendum for state funding for a stadium on May 5. That vote appears to have ended the Triad region's (Winston-Salem, Greensboro, High Point) current bid for major league status.

The reasons for the failed stadium drive, which lasted some two years and cost the Twins and the state of Minnesota millions of dollars, go beyond controversial financing proposals or poorly conceived ad campaigns. In the following section, we critically review some of the history of the campaign as it is described above. We next examine the reasons given by the Twins insiders and state legislators (both pro and con) who were interviewed for this research for the failure of the persuasive campaign. We then offer a listing of the likeliest reasons for the inability of the Twins, the governor, and a host of political, media, and business leaders to get a stadium financing deal done between 1996-1998.

A Critical Review

The early fan mailing contained a number of arguments for stadium financing that would reappear frequently during the course of the campaign. There was the financial obsolescence of the Metrodome, as it was described in close attention to the structural and administrative deficiencies of that facility. This complaint can be boiled down to several separate claims.

1. In large part because of the terms of their lease with the Metropolitan Sports Facilities Commission, the Twins require a whole new stadium.

2.0 Because of the dimensions of the Metrodome's seating bowl, the Twins of the Pequite a new stadium.

3. In a new, single-use stadium, the Twins must be granted the profits phiblind from "fevenue streams" that they currently do not control duxury they curren

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4.0 Marked improvement in the team's win-loss record is a greater probability in a new stadium that would provide the financial means and playing conditions required to sign noteworthy free agents.

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Furthermore, the Twins attribute an "intangible value" to baseball played out-ofdoors. They cite the "outdoor baseball experience" and the aesthetic appeal of a potential new stadium. Baseball is described as a tradition-filled ritual that provides spectators with an emotional appeal and benefit.

Also in the 1996 mailing the Twins point out how other states have financed new ballparks with public investment: "Almost every ballpark built within the last five years has involved a sharing of the cost by the public, business community, and the team. The Twins are willing to make a contribution to a new ballpark that is consistent with what teams have done in other cities. The Twins have also said they'll sign a long-term lease in a new ballpark." Aside from its veiled allusion to the threat of moving the team, this point presents something of a bandwagon appeal, suggesting that other states have gotten it done for their local franchises, so why not ours? The Twins went on to provide statistical data demonstrating the retail and residential regeneration that has accompanied the construction of new ballparks in the downtowns of Baltimore, Denver, and Cleveland, along with specific information as to how these joint public-private ventures were funded (the size of the hometeam's contribution, the types of taxes levied, local corporate investment, etc.).

The public relations efficacy of Minnesota Wins is an interesting issue. Once it became clear that public opinion was solidly against a new stadium, Minnesota Wins faced the difficult mission of persuading the legislature to set aside public sentiment and provide "leadership" by funding a new stadium. Given the media scrutiny the stadium issued received, it proved impossible to persuade legislators to ignore public opposition. Furthermore, though Minnesota Wins' leadership had impressive credentials in the business and legislative community, they lacked the sort of credibility that grassroots opposition groups had in the court of public opinion. After all, the idea that Minnesota Wins was a "grassroots organization" is 'preposterous. Its corporate make-up was probably evident to anyone who even knew it existed. Finally, Minnesota Wins' ostensibly proactive mission was quickly transformed into reactive tactics. One of our interviewees offered this assessment off the record:

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I think where Minnesota Wins was hurt most was that they were dealing with a lot of extracurricular-type issues that had nothing to do with

building a stadium. They were dealing with Kevin Garnett's \$125 million contract. They were dealing with the perception that athletes are bad people; that they're in jail or they're doing this and that. But of course, the Twins have an impeccable reputation. They were dealing with the perception that ticket prices were escalating beyond the family's ability to attend games, even though the reality is that the Twins have the lowest ticket price in baseball. They were dealing with the perception that the stadium was being built to enrich Carl Pohlad, a billionaire. All of that combined to give Minnesota Wins really an insurmountable task of generating support.

John Himle of Minnesota Wins agrees that Kevin Garnett's contract was virtually an incitement to riot for the already irked taxpayers and legislators involved in the Twins stadium financing debate. It was yet another in a long line of "uncontrolled variables" confronting Minnesota Wins, but one whose reverberations spread "like a prairie fire." "It symbolized what is wrong with professional sports," Himle told us.

The relationship between Minnesota Wins, the Twins, and Governor Carlson raises important questions. The governor's close association throughout this campaign with the Twins was widely publicized. His association with Minnesota Wins was somewhat less public. The proximity (both literally and figuratively) of this organization to Carlson's campaign staff and advisors is little more than incidental until one considers who was bankrolling this nonprofit group. Certain Carlson associates, particularly Joe Weber, went directly from the public payroll to salaries that were paid in part by the Minnesota Twins. And it appears that these former staffers kept current with the governor with their access to him little changed from before. The Twins' Dave St. Peter was asked about this connection.

> The governor certainly was a big booster of Minnesota Wins. He viewed it as a group that could positively influence the atmosphere in terms of the challenges that the state faced in terms of bringing hockey back, securing baseball, securing football long-term. Certainly the governor has been a very outspoken supporter of all this. The governor played a key role in the process, and played a key role in the development of Minnesota Wins. I don't want to say that it was his brainchild, but he certainly was a big supporter of it. I think that's probably why you saw some of those people put in place, or sort of moving on from the governor's office.

Lastly, the ill-conceived television ad we described earlier invites comment. The question of whether the commercial was exploitative of the cancer-stricken child from Willmar notwithstanding, it is remarkable that the Twins, even at that late stage (the final week of the legislative special session), were attempting to appeal to the emotions of fans and TV viewers rather than invoking the Twins as an

important, high-profile industry to the state, a provider of jobs, and a basic entertainment resource for many Minnesotans.

Even while the Twins were failing to make these points, a number of their supporters were doing so, only to a much smaller audience. Representative Alice Hausman and Senator Steve Kelly were early supporters of some kind of state support for a stadium, even though Kelly recognized that "if you tried to blend the points of view of callers, you would hear 'no tax dollars to build the stadium'." Hausman suggested that she was preserving the interests of Minnesotans who can not vote.

My son's friends said that I was their hero, because I was trying to save the Twins. And the elderly who are home-bound, during the Twins season, their lives revolve around the games. Senior citizens wrote "we always watched the Twins games, and the next day that's what we discuss at the seniors' center." We talk about this as if it is a wealthy person's sport, and that isn't true. All you have to do is turn on your radio. You can be riding on your tractor in the field, turn on your radio, and be a Twins fan.

Representative Hausman was willing to support a public subsidy because shere public believed that, first, the economics of professional sports are broken, and second, the Twins are a resource that it is important to conserve while and until the economics of professional sports are fixed. Senator Kelly reasoned that although "60-70% of the people didn't want their general fund (tax) dollars to be used to do it [build a stadium], 60% wanted the Twins to stay." He, like Representative Hausman, was willing to support a public subsidy because he believes that a stadium is a piece of infra-structure, like the airport and the highways. Because much of the public sees the Twins as a benefit, the state should be involved in preserving them in some meaningful fashion.

Perhaps the team could not make this argument - touting themselves as a common good. Charges of hypocrisy were always hovering over the Twins front office. But Hausman and Kelly had a point at least worth considering in promoting the Twins and their stadium facility as worthwhile investments for the state, whether for economic reasons or the intangible benefits associated with that national pasttime. Given that part of the Twins public relations problem was their difficulty in coming up with positive reasons for the public to subsidize a stadium, this perspective was greatly underplayed.

<u>What went wrong?: The participants' explanation</u>

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The people who we interviewed between January and May 1998 had no shortage of interesting speculations as to why the massive public persuasive campaign failed. A number of them are summarized here:

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1) Lack of a centralized command structure: "Pohlad should have run it like a political campaign, but he didn't. He should have had a campaign manager, one person to answer to, to make quick decisions . . . We got lots of advice from other owners, other legislators, many people had opinions. Much of the advice was well-intentioned, but there was a general lack of decision making on the Pohlad's side with what to do with the advice. Making no decision is more fatal than making a bad one, they found." Another inside party also likened the stadium drive to a political campaign. "From the Pohlads' perspective, as businesspeople, they're very keen negotiators, very bright folks, but surely the political process was a challenging one for them."

2) <u>Multiple stadium campaigns going on at the same time</u>: Related to the above rationale, some respondents faulted an overall lack of a cohesive message. At many times, it seemed like a race between the Twins, the governor, pro-stadium legislators, and Minnesota Wins to see who could negotiate a viable deal sooner.

3) <u>The issue of franchise free-agency</u>: In addition to the previously reported comments to the effect that Pohlad should have resorted to "blackmail" earlier, one subject remarked that the threat to move the team was never a credible one, even after the signed sales agreement with Don Beaver became public. "I don't blame the public for feeling like the threat wasn't sincere. Carl Pohlad doesn't want to sell or move. This is home. His family is here. He doesn't want to leave." Others found the threat that the Twins would be sold out-of-state credible but counterproductive. Senator Steve Kelly suggested that "the threat environment was not very good. It was the logical reverse of 'we'll come to your city if you do this.'"</u>

4) The \$82.5 million Pohlad "investment": There was general agreement among legislators that the single biggest error made by the Pohlads was early in the process when they suggested a "cash contribution" toward the Twins stadium that, once the fine print was read, turned out to be a "loan." "The greatest single blunder was calling what was supposed to be a loan a 'cash contribution'," said senator Marty. Senator Roy Terwilliger reframed this issue by suggesting that the definitional problems existed solely because the Twins' proposition had been released too quickly and had not been explained correctly: "People thought that they were being hoodwinked, and this made it hard for the issue to have any credibility." Representative Jean Wagenius suggested that, whatever the reason, having "gotten off on the wrong foot when they didn't tell the truth at the beginning, [the Pohlads] never recovered." A team official agreed: "Really the biggest issue that we were unable to recover from . . . was the perception that the Twins' initial offer-which was made in January 1997 in terms of the \$85 million loan/gift—what have you-that, I think, if you're going to earmark a single event would probably be the one that I think everybody would like to have back." On this our interviewees seemed to agree: early in the process the Pohlad family had managed to mire themselves in a credibility problem of considerable proportions.

5) <u>Class warfare, corporate bailout</u>: One team adviser said "Pohlad is a billionaire. The public perceived this as helping him get richer. That's why I pushed for community ownership." Terwilliger suggested that opponents of the stadium issue "were able to turn this into a class status issue." One legislative assistant rather provocatively suggested that the media had boiled the Twins' stadium issue down to three key terms: <u>bailout</u>, <u>blackmail</u>, and <u>billionaire</u>. Indeed, the billionaireowner-paying-millionaire-players issue was impossible to avoid. Senator Larry Pogemiller's pragmatic comment best represents the viewpoint of many of the legislators: "People were generally opposed to subsidizing a billionaire owner for a stadium they weren't sure was necessary."

6) <u>Recent Twin Cities sports history</u>: The dramatic departure of the North Stars and the near-loss of the Timberwolves had Minnesotans fed up. In addition, the signing of the Timberwolves basketball star Kevin Garnett in the summer of 1997 to the richest deal in the history of professional sports (\$126 million over six years) led many to conclude that the kind of money that was being exchanged in professional athletics was obscene in the face of continued social problems like poverty and health care. The subsequent escalation of ticket prices to sporting events further fueled fans' frustration. And finally, the all-too-frequent ritual of reading about professional athletes' arrests, misdeeds, and paternity suits have jarred the devotion of many fans to their favorite sports heroes.

7) Effective, early opposition (in principle) to public funding for a stadium: According to one Twins advocate, the response to the early 1996 mailing to Twins fans "was pretty good, but it tipped off the John Martys of the world and they were able to put out questionnaires to the legislature and sort of force the issue very early on. It forced them to take a position on the issue before anything specific went before the legislature. . . . Certainly it was difficult for us to convey our messages after everyone had already gone on record against the principle of it. They weren't going to support any public financing. And they didn't even know what the package was going to be."

Indeed, Senator Marty saw to it that the stadium was a political issue well before the 1997 legislative session, a number of the legislators reported. Several mentioned that there had been a lot of discussion about the stadium and public subsidies during the 1996 election year cycle, and a lot of legislators had come out publicly opposing any such plan at that time. Senator Marty: "I helped before the 1996 elections to stir up that public opinion. I had tried to raise the debate because I sensed that the public agreed with me that this was wrong. The public was against the idea of subsidizing professional sports. They weren't against the Twins, they just didn't believe that taxpayers should be hit for it." Marty went a step further when he publicly urged legislators to sign a pledge that they would never vote for a publicly subsidized stadium. While largely effective, Senator Steve Novak criticized this attempt to make legislators take a stand "before they knew what the issues were. Representative democracy isn't supposed to work this way." Senator

Pogemiller also suggested that this sort of manipulation stands in the way of effective legislative process. "That's where people have to draw a line. It happened again this year with the abortion issue. Eighty-some people said they'd never vote for the human services bill unless it had the abortion provision in it."

One Twins source picks this as an early watershed in the campaign. "If there's one thing that sort of poisoned the well, so to speak, it would be that wonderful job of pressuring legislators to go on record before there was even any real package put out there. And then they were entrenched. People were locked into their position." Senator Pogemiller further suggested that the vociferousness of the opposition had tremendous impact as well. "Where I think the thing slipped away is that, all of a sudden, the legislators have started to listen to the loudest voices. 'Antis'—and this is on other issues too, not just this—'antis' are always louder than 'pros.' [But] the reason people vote for [representatives] is to put things into context. You should try to decide whether there is a match between the reality and the rhetoric."

8) <u>A lack of pro-stadium leadership in state and local government</u>: One of the lobbyists we interviewed suggested that while the governor tried to champion the cause, he "expended his political capital" early in the debate. Minneapolis Mayor Sayles Belton was only willing to do "a little bit." Legislators were too dependent on "public opinion of the moment" and are more dependent on their legislative income than used to be the case. Another insider was also critical of legislators' motives: "This shows that legislators are out to get re-elected and aren't necessarily out to create good policy." In particular, the Minneapolis legislative delegation was "absent. The city council? Zero. Same with the chamber [of commerce]." "The assumption was that the legislative leadership would eventually step up to the plate, but they never did." Furthermore, the legislature had quite a full slate in its 1997 session and the public debate over the stadium seemed unwelcome at the capitol.

These reasons reflect a cross-section of viewpoints from both stadium supporters and opponents. Understandably, in some areas interview subjects preferred not to be quoted directly. Yet the candor with which all seemed to share their perspectives was a source of encouragement for the accuracy of the assessments we collected.

What went wrong?: Our explanation

We should note that not all persuasive campaigns can succeed. Imagine a proposal for the total prohibition of alcohol was reintroduced, for example. Given current societal attitudes it is practically impossible to imagine a campaign that could persuade the public to support prohibition or to convince legislators to ignore strong public opposition. As we discuss the Twins campaign, we want to acknowledge that given the strength of public opposition to taxpayer-subsidized stadium construction and the media visibility of the issue, it is possible that <u>no</u> persuasive campaign could have succeeded in the time-period under discussion. With this caveat in mind, we offer our assessment of the chief factors contributing

to the unsuccessful persuasive campaign initiated by the Minnesota Twins based on the input received from our interview subjects and from research of primary and secondary source materials.

1. <u>Identifying the appropriate audience</u>: All persuasive campaigns can be thought of as audience-directed (Grunig, 1989). One cannot create a persuasive message in a vacuum. Persuasive campaigns must be designed with an eye toward the audience's relevant attitudes and values. Committed fans will differ from nonchalent followers of the game, and legislators will often differ from the electorate. It is a fundamental axiom of persuasion theory that one cannot very well construct an effective message without first delineating with care to whom that message will be conveyed. It is not clear to us whether the Twins' leadership sufficiently thought out who the different audiences were. At no point in the process did the Twins put together a compelling argument specifically addressed to taxpayers as a distinct audience as to why they should support public funding for a stadium. As a result, their arguments came off to practically all concerned as unpersuasive and self-serving.

It appears to us that the Twins could not decide how much effort to make to persuade the general public. As noted previously, the team's efforts in 1996 on behalf of a September primary referendum suggests that at one time it was believed a significant number of people could be convinced to support public funding. But even the earliest arguments, which focussed on sports economics, are crafted more for the diehard fan or a pro-business audience than for John or Jane Q. Public. For example, the mailing delivered by the Twins organization to its fan base early in 1996 actively solicited the fans' involvement in contacting state legislators about holding the referendum. This mailing exhibits a scattershot targeting of crucial constituencies including the governor, the fans, the legislature, and Minnesotans in general. It is not clear who the Twins thought the primary audience was.

Not long after these public efforts it is clear that Minnesota Wins' total attention focussed on directly lobbying the legislature, again focussing on sports economics. The deemphasis of the importance of general public opinion appears to have been driven by two assumptions: first, that public opinion was irrevocably opposed to public funding, and second, that the legislature could be convinced to set aside public opinion and vote in favor of state support. After a number of early surveys and focus group sessions Minnesota Wins' representative John Himle became "convinced that the general public could [not] be brought along" to be supporters of a specific funding plan. A consistent, large proportion of respondents remained "strongly opposed" to virtually any funding scenario that Minnesota Wins could throw at them. Himle did not believe that any advertising or marketing campaign could present a "credible and compelling" message to sway public opinion in favor of public funding. Accordingly, virtually all of Minnesota Wins' efforts were aimed at persuading the state legislature.

The assumption that the legislature could be persuaded to ignore strong public opposition proved to be wrong. As we discuss in chapter four, the Twins underestimated the depth of public oppposition and its likely influence on state legislators. We suggest that even if public opposition could not be converted into strong public support for public funding, the Twins certainly should have done more to address the concerns of the voters of the state of Minnesota. When the Twins did try to re-engage general public opinion in late 1997, the effort was too little and too late. Says Dave St. Peter, "Near the end, by the special session, [our focus] probably turned back to the public in terms of asking for a call to action, so to speak, in terms of calling their legislators, which led of course to the infamous hundreds of thousands of calls a day over there last November running both in favor and against any type of stadium support." The number of citizen calls against stadium financing maintained its proportional advantage over those in favor by the usual margins. Even at the eleventh hour, the Twins and stadium proponents were still attempting to put the voting public into a "middleman" [sic] role, despite the clear fact that the public had not been on their side, numerically. Probably this was done because it was perceived that the legislature was continuing to rely greatly on the public's input for its guidance. Yet this late in the campaign it was far too late for the Twins to attempt a great turnaround of public sentiment.

2. Lack of centralized planning and leadership: With the Twins front office, the Governor's office, key legislators, Minnesota Wins, and even marketing whiz Pat Forciea all weighing in on strategy and specific legislative proposals, it is clear that this public relations campaign lacked a coordinated command structure. One insider told us that with the Pohlads negotiating directly with the Governor's office, the Twins front office pursuing the legislature, and Minnesota Wins lobbying both public opinion and the state legislature, some friction among the different stadium proponents was inevitable. The goals of the campaign came to be viewed in the short-term by each decision-maker somewhat differently, while the long-term goal was taken for granted. Substantively, the only point of agreement among the stadium proponents was that a new stadium was necessary. Understandably, the different groups had very different opinions about such matters as: How much of a contribution the Pohlad family should make to a new stadium? Should the Twins be taken over by public ownership? Should there be a new private owner with fewer credibility problems?

In addition, in part because the campaign lacked a central point of coordination, it took on a reactionary character with proponents responding to each new crisis and controversy by attempting to communicate with the public through brief interviews and media statements, planning alternative funding proposals only after a previous one had been utterly debased, and struggling to come up with media-friendly retorts to the slogans that many critics chanted, opposition expressed simply as "Fund kids first," or "No corporate welfare."

3. <u>The threat to move</u>: The evidence suggests that the threat to relocate the team was real from the early days of the stadium campaign and that it was not taken very well. Many times in the legislative debate of 1997 the word "blackmail" surfaced in regard to the stadium initiative. The local media continuously painted a variety of scenarios which had the Twins playing in one distant city or another by as early as the 1998 season. "Studio ball" was whispered as a potential consequence of making the Twins remain in the Metrodome. This is a term for the type of low budget baseball that is currently employed in cities like Montreal and Pittsburgh, where the object is more to stage an interesting exhibition of professional baseball with a visiting team than it is to win games. It is probably disingenuous for the Pohlads to think that they withheld the threat of franchise free-agency when speculation was rampant in the Twin Cities and nationally that the team would soon move.

4. <u>A losing team</u>: To put the matter simply, the lousy winning percentage posted by the Minnesota Twins over five consecutive seasons played a significant part in the failure of the stadium campaign. The fact that the team had finished last or next to last in its division four of those five years did not result directly in public or legislative opposition to a publicly subsidized stadium, but it likely retarded the input of a constituency on whom the Twins were relying—the fans. For those accustomed to the Twins' losing ways, motivation to help the Twins into a new stadium was probably harder to come by than Twins' souvenir home-run balls. The Twins communications director corroborates this hypothesis:

As an organization, we wonder what would have happened had we been competitive. 1997 was certainly not a great year for us off the field, but it was probably an even bigger disaster for us on the field. We had a lot of optimism coming into the year, but we just did not play well, we had injuries, we had the Chuck Knoblauch debacle in terms of his wanting to be traded. We just didn't perform well and certainly that played a role in the public's perception toward the Twins.

It probably should have occurred to the Twins front office that in regard to the possible danger of losing the team, Twins fans had to some extent already voted with their feet by "staying away in droves," to quote Yogi Berra. Twins' home attendance had diminished by some 43% between 1992 and 1997. Had the team been fresh from one of its World Series seasons, the campaign pitch almost certainly would have struck a more responsive chord with fans and the general public. But the memories of 1991 seemed so distant by now that apathy ruled among the only constituent group who might otherwise have worked tirelessly to secure the continued presence of their baseball team.

5. <u>"Fund kids first.</u>" St. Peter concedes that "The opposition did a pretty remarkable job using limited resources to convey their message. And honestly, it was probably a pretty simple message to convey; that you're enriching a billionaire and kids are going to go hungry because you're building a stadium." Says Senator Pogemiller,

"This is the kind of issue where everybody has an opinion, whether or not they know the facts. In this case, the group who didn't have the facts were [sic] able to capture a larger group of people because they took advantage of the political situation. The political rhetoric? 'We have to pay for kids before we pay for this.' If we had to hold the education system to the standards we've held Carl Pohlad to, we'd have a better education system." These stadium supporters are bemoaning a basic law of politics: when it comes to raising taxes, it is harder to persuade for it than against it. It is no surprise that stadium opponents were able to reframe the debate in terms of social problems with more obvious urgency than funding a baseball team: child welfare, education, citizen representation. Furthermore, opposition groups were able to gain sufficient media coverage to keep the stadium campaign in the public eye rather than allowing it to turn into a backroom legislative deal. We examine in more detail the campaign of grassroots stadium financing opponents in the following chapter.

Chapter 2 The Grassroots Opposition: A Question of Values

"We are here today to say that the real story gripping this state is not a stadium. The real story here is, how do we define ourselves as both a community and as a state? The real story is not in the benefits a professional ball team and stadium can bring. The real story is in the benefits an investment in our children can bring."

-Reverend Ricky Rask, Comments to State Legislators

What is the "real" story behind the stadium? The answer to this question varies considerably, depending upon to whom you are speaking. If you were speaking to core members of the grassroots coalition against the Twins stadium project—Reverend Ricky Rask, John Commers, Mel Duncan, or Galanne Deressa—the answer would revolve around issues of values, grassroots economics, and corporate welfare. Highlighted would be concerns about how best to use public funds: Should money be spent to build a new professional sports facility with questionable economic benefits for the broader community? Or should money be spent to improve the quality of education for children, address welfare needs, or ensure safety in local communities?

This chapter explores how and why these individuals became involved in a grassroots movement that flew in the face of Governor Arne Carlson, billionaire Carl Pohlad, and some of Minnesota's largest corporations. It also details the central goal of this coalition to change the terms of the debate on the public funding of a new Twins stadium, and describes the success of the strategies used in these efforts. Specifically, core members of the grassroots coalition (1) challenged claims that the stadium would produce an economic windfall for the state, (2) pointed to non-public models for stadium funding, and (3) reframed the stadium debate in terms of "priorities" and "values," instead of "sports economics." In addition, we argue that despite a multimillion dollar pro-stadium campaign, the group's "David versus Goliath" strategies and tactics were successful, in part, because they disseminated these views to the public and politicians through an intense, well-coordinated campaign of legislative lobbying and media coverage.

Defying Conventional Wisdom

The ability of the grassroots coalition to affect the debate about stadium funding surprised many. Conventional wisdom suggests that the social and cultural forces discouraging political action among "ordinary" members of the public are nearly overwhelming. Most people are just too busy trying to sustain their daily lives—working to meet material and psychological needs and, occasionally, having some fun. They do not regularly attend to or inform themselves about political issues and policies. Indeed, political scientists Philip Converse (1975) and Russell Neumann (1986) believe the average citizen is not motivated to learn much about political issues and does not have much of a sense that they can alter public policy. However, other political scientists such as W. Lance Bennett (1975), and William Gamson and Andre Modigliani (1987) have spoken out against these assumptions. William Gamson argues that people are "not so passive and not so dumb" (1992, p. 4). While it may be hard to mobilize people to engage in collective action, social movements consistently have emerged as forces of political change throughout history. Although financial costs, personal risks, loss of free time, and personal and professional demands may deter people from participating, certain types of political issues do mobilize collective action. Specifically, participants in these movements must not only be convinced of the desirability of changing a situation, they must also believe in the possibility of changing it. It appears that citizens respond when they feel their core values are threatened or vulnerable populations are at risk. Social networks of friends, family and co-workers are critical for the recruitment of people into political action.

How do these activists organize for collective resistance? Often, they organize the movement around a central organizing principle, or frame. In general, "framing" refers to the process of emphasizing certain aspects of an issues and obscuring other aspects. Communication theorist Robert Entman (1993) argues that the act of highlighting certain previously unconsidered dimensions of an issue may alter how people define the problem, interpret its causes, evaluate its implications, and recommend what to do about it. Social movements typically use collective action frames—"action oriented sets of beliefs and meanings that inspire and legitimate social movement activities and campaigns" (Snow and Benford, 1992). These frames point out an injustice, suggest a possible response, identify the opposition, and, in the process, define group membership. Labeling issues and opposition members is part of this symbolic process. Thus, the terms used to define the situation and its central players are often a focus of framing efforts.

In the case of the stadium controversy, members of the grassroots movement issued a "values and priorities" frame, pitting the plight of Minnesota's children, working families, and the elderly against a new ballpark which they argued would most benefit a few wealthy individuals and corporations. Obviously, this frame contains a strong emphasis on social justice meant to encourage sympathy toward the efforts of the coalition and promote personal identification with the group being wronged. Further, it spurs a search for the people responsible for this "shameful state-ofaffairs," breeding a sense of moral indignation and implying the need for some form of action. Prior to the coalition's efforts, the "values and priorities" frames did not find its way into the conversations of politicians and business-people—the question was <u>how</u> to fund a new stadium, not <u>whether</u> it should be built. However, once the frame was injected into the public debate it became difficult for those who favored stadium funding to avoid it.

Mobilizing for Action

So, who are the members of this grassroots resistance to the stadium? This question, although a seemingly innocent one, is perhaps a bit more complex than it first appears. In fact, as the rather bemused Reverend Rask stated, "I don't know if the opposition ever figured out that there were only three (groups) of us." From the earliest days of its creation, the resistance movement centered around a three-pronged coalition: Rask represented the group, "Fund Kids First," Mel Duncan and Galanne Deressa represented the Minnesota Alliance for Progressive Action (MAPA), and John Commers represented the group, Fans Advocating iNtelligent Spending (FANS).

Although all three organizations possessed their own agendas, they coalesced around the issue of <u>equity</u>. However, as Commers noted, the ways these three groups "arrived at concern about equity were really quite different." When taking a closer look at the different paths that eventually brought them all to the same place, it becomes clear why these citizens chose to commit such a great deal of personal time and energy towards this the task of organizing a resistance coalition, educating the public and legislators, raising funds, attracting the attention of media, and rallying citizens to participate in the process.

For the leaders of the coalition this process turned into a full time job that began before the 1997 legislative session in the fall and ended six months later. So why bother? What motivates participants in a social movement to decide enough is enough? For Rask, enough became enough when she read a news story about the proposal to build a stadium for \$320 million in the <u>Star Tribune</u>—she could think of at least fifty better ways to spend taxpayer dollars. Since July of 1996, Rask had been a representative on a Department of Human Services task force charged with evaluating foster care redesign. This task force had spent months struggling with issues of abuse, inadequate day care, and hunger, to name just a few. Rask recalled , "one particular (task force) meeting we sat and wish listed - all the things that we as a society could do to keep our children safe, nurtured, and in loving, stable homes... At any rate, this meeting happened on a day when I had read the Twins were looking for 320 million dollars to build a stadium... It was the straw that broke the camel's back."

It was not as if Rask had an abundance of free time on her hands. Not only is she the custodial grandparent of her six-year-old granddaughter, she is also an ordained minister of the United Church of Christ who provides spiritual care to chronically ill people and their families. Nevertheless, it was issues associated with these jobs that compelled her to organize a grassroots campaign against public funding of the Twins' new stadium. She reasoned that these issues—education, health care, poverty, hunger, abuse, crime, housing, and employment—were priorities, while baseball was entertainment. Indeed, from the beginning, her position could never be characterized as anti-stadium. Rather, she notes, "What I said was, fine build the thing, but first you take care of other priorities." Rask's initial leap into the political fray took place at the Metropolitan Sports Facilities Commission hearings. According to Rask, even though these hearings were promoted in the media as public forums for discussion, they actually took the form of business meetings designed to stimulate support for the new stadium project. Indeed, as the majority of the participants either represented government or business interests, opportunities for citizens to speak were noticeably restricted. After a few of these meetings, Rask grew tired of being ignored and decided to take aggressive action. She arrived early at the meeting room dressed in a power suit and told the first reporter who smiled at her that she was going to stir the waters, so they should get ready to start taking notes. True to her word, Rask took the commission, the legislators, the billionaires and the sports industry to task, putting a simple, yet radical new agenda on the table—children first, sports second. In this moment, Rask's new persona as a "media maven" was created and her role as the moral voice of opposition in this debate was established.

Countering the Economic Argument

Rask continued to educate herself on the issues and it was not long before she realized that to make a difference she was going to need help. As luck would have it, she was put into contact with Mel Duncan, an employee at the Minnesota Alliance for Progressive Action with extensive experience in the political arena, and John Commers, an activist interested in grassroots economics. Together, they formed and spearheaded the three-pronged coalition that would challenge the Twins stadium project. The synergy of their expertise and passion produced a wall of opposition that was unexpected to say the least. As Commers notes, "Ricky was able to frame the issue in a completely unique way. She was able to say it was wrong in black and white terms. Also this was the year when the legislature was doing welfare reforms, so that helped. The children's piece was crucial. They didn't know what to do with the values and priorities approach."

Commers' area of expertise, grassroots economics, grew out of research he conducted on the issues of sports economics while getting his degree from Carlton College. One product of this research program was a co-authored article concerning the Target Center buyout. In this article, he argued that although business people and legislators often claim that small businesses around such a site would profit, this is not the case. Rather, the construction companies, investors, and owners make most of the money. Initially, when Commers was contacted by Rask, they discussed how this economic arguments were being used as support for Twins stadium funding. Commers offered economic counter-arguments to claims that the value of a professional sports team increases \$50-60 million after there is a commitment to build a new stadium.

So, Commers' role in the resistance coalition was to continually redirect the discussion towards the question of who really profits from the construction of a stadium. When the pro-stadium group claimed that cities and regions derived economic benefits from stadium construction, Commers cited studies done by the

Congressional Research Service (1996) that showed new stadiums did not significantly impact economic development. When the pro-stadium advocates argued that new stadiums created jobs, Commers pointed to research from political scienhtist Richard Dye (1990) that contends professional sports and stadiums divert economic development toward labor-intensive, relatively unskilled, part-time labor instead of a more educated, full-time, high wage labor characteristic of growing economies. When the pro-stadium side asserted that sports positively effected tourism and convention industries, Commers called attention to data from the U.S. Travel Center that showed "professional sports has (sic) nothing to do with tourism or development."

In addition to this, Commers noted, "we kept focused in this case on the flagrant wealth and flagrant willingness to get caught in the act of greed." For example, Commers recalls that at the same time the legislature was voting on whether or not to subsidize the Twins, Pohlad decided to purchase a private jet. When the press questioned him about this choice, he angrily reminded them what he did with his money "was his own damn business." Commers believed that this response outraged the public—the potential of paying for a billionaire's baseball team when social security is in a state of jeopardy, and the education system is being neglected "raises clear and simple issues of inequity."

The group created a pamphlet entitled "Beyond Rhetoric: The Economics of Professional Sports in Minnesota" that countered the case for funding the stadium on purely economic grounds. Everything about this information packet contested the pro-stadium position. By referencing previous stadium debates about the Target Center and the Met Center on the cover, the group reminded legislators and members of the media about past and present problems with stadium funding for the Timberwolves and Northstars. This strategic move provided a historical context for the debate, a perspective that stadium advocates generally hoped to avoid. Using a question and answer format to introduce unconsidered perspectives into the discourse surrounding the stadium campiagn, the coalition subjected the economic claims of those favoring a new stadium to direct scrutiny. In the process, the group created a space for itself and its views in the marketplace of ideas, taking a previously radical position and supplying it with legitimacy. Some of the questions included: "Do cities and regions derive economic benefits from stadium construction and operation? Don't new stadiums create jobs? What is the effect of sports on the tourism and convention industries?" Answering these questions with the sources mentioned above, the pamphlet opened up the discourse about public funding for the Twins and created new avenues for social action. This package and others like it were distributed to key members of the legislature and the press, all as part of a strategy of relentlessly counter-arguing the economic rationale for funding a new stadium. Their efforts were arguably effective. Legislators who initially might have gone along with the stadium project for purely economic reasons began to reconsider the merits of the "economic benefits" claims of stadium advocates.

Other individuals aligned with different organizations contributed to these efforts as well. For example, according to Commers, Julian Loscalzo, who leads another group called FANS (Fans Answer the New Stadium), played a crucial role because of his visibility at the state capitol and in the media. One of the original protesters against the construction of the Metrodome twenty years ago, Loscalzo's interests centered around issues of community ownership. His position differed slightly from the rest of the coalition, because he would have been willing to spend one hundred million dollars of public money if it meant community ownership was part of the deal. Commers always believed that once the legislature realized that the stadium proposal was an ill-conceived idea, there would be room for Loscalzo to suggest the idea of community ownership. As a result, he would look like a moderate rather than a radical who wanted socialized baseball. Although Rask did not support Loscalzo's plan, they still were able to work well together against the pro-stadium campaign.

Reframing the Debate

The various groups involved in the grassroots movement closely worked together prior to the legislative session that started in 1997, attempting to construct a longterm strategy. Once the session started, the coalition met three or four times a week, in addition to conducting their own board and steering committee meetings within each of the groups (Fund Kids First, MAPA, and FANS). With the help of Mike Krivits, a photographer in Saint Paul who had heard Rask speaking on the radio, the group created and distributed weekly newsletters to legislators and other interested citizens in an effort to reframe the debate about public funds.

These newsletters, titled <u>Fund Kids First</u>, featured a different topic each issue including: "What can you buy with \$300 million dollars besides a new outdoor stadium?" "Facts on Childhood Hunger in Minnesota, Childcare in Minnesota— Brainpower Begins at Birth," "Professional Sports has nothing to do with Tourism or Development," and "Let those who profit pay." These startling headlines were accompanied by credible statistics that called into question the priorities and values of the state of Minnesota. For example, under the heading "What can you buy with \$300 million dollars besides a new outdoor stadium?" the group listed the following alternatives:

- Cover salary for 840 new teachers to work in our public schools for ten years.
- Pay benefits and wages for 600 new police officers to work for ten years.
- Fund the entire budget of the Science Museum of Minnesota for fifteen years.
- Fund the Minnesota Department of Agriculture for over twelve years.
- Fund the light-rail construction along 35W, from Washington Avenue to 98th Street, with \$78 million in spare change.

These flyers helped to introduce new considerations into the stadium debate, changing the focus from economics to social welfare and establishing a hierarchy in which Minnesotans' quality of life—particularly the quality of life of Minnesota's children—was more important than stadiums, sports teams, and their owners.

One especially notable example of the effort to reframe this debate was a flyer entitled, "Kids come first until their needs are met." This flyer not only attacked the basic priorities of those who favor stadium funding, it injects new ideas into the debate over how to use public funds, creating new avenues for social action. Beginning with the headline, which prioritizes the fundamental needs of children over the luxury of professional sports entertainment, the pamphlet argues that too many of Minnesota's children are at risk because they live in communities that are in a state of crisis. Specifically, the flyer asserts that certain basic needs, such as healthy neighborhoods, solid education, nurturing homes, and good job prospects simply do not exist for many children in the state.

The coalition then defined their identity in contrast to those stand to profit from stadium funding. They proclaimed that they are simply members of the community and local clergy, and that they stand opposed to the team's owners, large corporations, and high-priced lobbyists. Arguing that community groups can effect change in governmental policies and pressing others to join their crusade, they wrote: "We CAN make a difference. We urge you to join us." The flyer is peppered with highly emotional and value-laden language, suggesting an urgency to act, a desperate need to respond to an injustice. The opposition's persuasive efforts provided people with a target for social response and suggest to audience members that they have the ability to make a difference. Their reframing successfully points out an injustice, suggests a achievable response, identifies the opposition, and defines the membership of the group.

Getting the Message Across

While all of the legislators we interviewed agreed that the grassroots opposition groups influenced the Twins stadium campaign, the views of the grassroots coalition were not embraced by all legislators and lobbyists. Representative Jean Wagenius and Senator John Marty were among those who strongly supported the coalition and their efforts to mobilize an opposition. Wagenius noted that Rask "defined an issue that had not yet been defined... priorities. We [the House] had just come out of a session where we had underfunded schools and had failed to deal with mass transportation." Marty commended the group on their fiscal efficacy, stating, "Ricky Rask and John Commers' FANS group were very effective in making sure that there was always a response to the Twins' effort. The total amount they used was never in excess of \$5,000-\$10,000. I wouldn't be surprised if the Twins spent \$5-\$10 million, most of which won't show up on audit because it will come under advertising. They [the grassroots group] did really well, considering the odds."

Other legislators, such as Representative Alice Hausman, Senator Larry Pogemiller, and Senator Steve Kelly, recognized the grassroots groups' efforts, but questioned the ways that they framed the issues. Pogemiller stated, "The grassroots opposition groups took the kind of position that we should spend any dollar we have on kids vs. on commercial sports. I think that's good political rhetoric, and it's important that we have our priorities straight. Certainly, we should not put professional sports before kids, but that isn't the case. \$10 to \$12 billion of the state budget goes to K-12 education, almost half of each budget. But professional sports is a quality of life issue. It's a modeling issue."

Rask, in particular, felt it was difficult to capture and keep the legislature's attention. She recalls, "The opposition totally discounted me because I was a woman. First, they ignore you, then they call you names, then they marginalize you, and then finally they deal with you when you don't go away." And, unfortunately for the fence sitters, the coalition was not going anywhere. They were committed to gaining the attention of legislators and influencing their votes. Rask speculates that part of the problem for the elected officials was that her identity was often difficult to pigeonhole: "They thought I was some bimbo, but I was an articulate, educated woman and they didn't know what to do... I didn't fit any molds or belong to any organizations. And I am very different from your average minister and they just didn't know what to do. That's my theory." When asked about this situation, Commers concurred, stating, "When we first started working together in January and February, lobbyists were honestly asking me how did you guys put together this person? She is bulletproof."

When Rask spoke to the legislators, such as the committee members of the Joint Tax Committee, she asked them to consider how other states had managed to fund new stadiums without using tax dollars. Indeed, she noted that the following venues were constructed with between 0% and 20% public participation:

- CoreStates spectrum, home to Philadelphia 76ers and Flyers (0% public)
- Bradley Center, home to Milwaukee Bucks (0% public)
- Fleet Center, home to Boston Celtics and Bruins (0% public)
- Delta Center, home to Utah Jazz (0% public)
- Joe Robbie Stadium, home to Miami Dolphins (5% public)
- United Center, home to Chicago Bulls and Blackhawks (9% public)
- Portland Rose Garden, home to Portland Blazers (14% public)
- Ericsson Center, home to Carolina Panthers (20% public)

She also reminded them that in the poll commissioned by Minnesota Wins between 60% and 70% of the public opposed building a new stadium in Minnesota. This was the case, Rask argued, despite that fact that Minnesota Wins had spent over \$1.1 million trying to influence public opinion.

While the lobbyists, businesspeople, and legislators were forced to listen to Rask while they sat on committees, their desire to interact outside those forums was not enthusiastic. Rask recalls, "There was no reason not to dialogue, but they wouldn't. I even gave Pohlad my home phone and pager number and he still wouldn't talk to me." Eventually, Rask grew tired of trying to initiate discussion, started lobbying less, and resolved to just go to the Capitol and "be a presence." In order to remain visible, she walked the halls, visited the balcony, and sent notes to legislators, but beyond this she did not know what else to say.

Notable exceptions among the legislators were Representative Kevin Knight, Representative Phil Krinke, and Senator Marty. These public officials, concerned about fiscal responsibility and the public's outrage over the stadium project, made themselves available on several occasions to meet with the group and exchange ideas. These legislators played a crucial role in getting the movement's message across to the broader legislature.

Tantalizing the Media

It was not easy to get the media's attention either, although reporters occasionally did attend to the coalition's perspective. Indeed, it did not take Rask, Commers, Duncan, and Deressa long to realize that, most often, the media was more interested in sensational events than disseminating detailed information to the public. Working from this understanding, the group put enormous effort into grabbing the media's attention with the ultimate goal of informing the voters about their cause.

During interviews, the group often had Rask serve as their spokesperson because the media seemed to be attracted to her blunt style of speech. As Rask noted, "I'm just who I am. The media loved me because subtlety is not my strong suit and if I have an opinion, I say it." Sometimes, however, this was not enough. Consequently, the group brainstormed together and produced media events such as a magic show held at the state capitol whose theme was "How can politicians magically produce money to fund a stadium? Easy! Just move it around!"

The positive turnout at this event prompted others, like the infamous Joe Camel rally. The impetus for this event was the legislative proposal to raise the cigarette tax ten cents, using nine and a half to build a ballpark and half a cent for children's education. They introduced this proposal about ten days before the State of the State address, given by the Governor. Duncan knew that protocol required all the legislators who attended the event to stand outside the House chambers until they were announced. The Governor, who would be introduced last, would have to wait in the hallway for approximately ten minutes.

Recognizing that this would be a golden opportunity to gain the attention of both the media and the politicians, the group located some Joe Camel costumes and painted protest signs. Of course, it is against the law to light a cigarette in the capitol building, so demonstrators put cigarettes behind ears, or hung them out of the corner of their mouth. Together, they loudly chanted "Light up for the Twins!" As a result, the group received coverage in the Metro section of the <u>Star Tribune</u>, complete with a picture featuring Minnesota Attorney General Humphrey refusing a cigarette from Joe Camel, who waved a sign stating "Light up for the Twins!"

In addition, on February 14, 1997 at the state capitol, Commers organized a volunteer panel of three well-respected economists to talk about their firsthand research on the stadium issue: Dennis Zimmerman from the Congressional Research Service, Edwin Mills from the Kellog School at Northwestern University, and Wilbur Macky from the University of Minnesota. The day began with a press conference at the state building and culminated with an informational event for any legislator who wished to attend. The participants answered questions and gave testimony that stated that there is no economic benefit to building a new stadium. Given this, they suggested that what is left is intangible social value. While no one belittles this, the coalition argued it is not worth the hundreds of millions that is desperately needed to pay for other things like education. Later in the day, two of the participants were also interviewed by Jason Lewis on KSTP radio and one of the panelists was asked to speak on "Almanac," the local news magazine program aired on public television.

Both events were significant opportunities, allowing the resistance coalition to reach more than 60,000 audience members. The coalition was constantly concerned that the opposition would counter their efforts by successfully staging a massive publicity event, but by the end of the special session it was clear that this was not likely to happen. As discussed in chapter one, the Twins simply did not make a consistent effort to court general public opinion. Even highly publicized events, such as the stadium rally in Willmar, Minnesota, which featured baseball legends like Harmon Killebrew and Tony Oliva, had drawn a mere 100 participants. Although confused over the Twins and Minnesota Wins lack of success in organizing events despite their multimillion dollar budgets, the resistance coalition counted their blessings and celebrated the fact that they reached so many citizens on a \$15,000 budget, most of which came from \$5 to \$10 donations solicited from the public.

Indeed, the general public's support for the grassroots resistance against the stadium was strong. Although it was difficult to persuade people to come to rallies, most seemed eager to sign petitions or give small donations. Commers noted that if he stood at a bus stop during rush hour, he could get 40 signatures from one bus load of people and then another 40 when the next bus arrived. This, he said, "was the one resource that we always felt we could fall back on—the public anger about this issue." Rask recalls, "Last special session in November when the deadline was up we had the public so wound up we had the switchboard at the legislature stopped. They averaged 9,000 to 10,000 calls a day and got over 150,000 calls total. It was really refreshing to be on the side of the issue where everybody loved you."

Although this resistance campaign was very time consuming and emotionally exhausting, ultimately the group members feel the work paid off and their efforts were was very successful. Rask reflected, "It is incredibly powerful... look what we

did... Basically, we stopped the governor, we stopped incredibly rich and powerful people, we stopped the legislature, we stopped them dead. They couldn't believe it. It was very humbling... Without grassroots this thing would have flown. Grassroots is what stopped this thing."

Chapter 3 Economic Benefits of a New Stadium: Fact or Fiction?

Economic arguments are often used to justify public spending to build new baseball stadiums. Sports team owners sometimes claim that they are losing money and that a new stadium needs to be built in order to save the economic viability of a team in its current market. Proponents of new stadiums often argue that new stadiums are good public investments because they enhance the economic activity in the region. The arguments for a new stadium for the Minnesota Twins involved such claims, while the grassroots opposition to public funding of the stadium often concentrated on refuting such claims. Accordingly, this chapter investigates these economic arguments first by exploring the history of the Twins economic rationale for a new stadium; second, by scrutinizing the report of the international accounting and financial advising firm Arthur Andersen LLP that was used by the Twins as a basis for these claims; and finally, by examining the persuasiveness of these economic claims with Minnesota legislators.

Economics and the Minnesota Twins

The Twins argued that the Metrodome has become economically obsolete for baseball and that owner Carl Pohlad has lost millions of dollars. As noted in chapter one, explanations of the Metrodome's inadequacies included the Twins claim that because they have the fewest "quality seats" in the big leagues the team cannot sell large amounts of season tickets. The Twins also argued that because the organization is losing money, it cannot afford to put the highest quality team on the field. The Twins claimed that a retractable-dome stadium specifically constructed for baseball would enhance revenues to keep up with other major league teams that have new ballparks.

The Twins continually focused on economic arguments to claim that the team needs a new stadium to return competitiveness to the field and profit to its ownership. Twins president Jerry Bell argued that "No one can operate a successful baseball team in Minnesota without a new ballpark" (<u>Star Tribune</u> 10/5/97). Carl Pohlad continued to emphasize amounts of his financial loss: "\$120 million invested in the teams; that about \$80 million in operating losses over the past 13 years, plus the \$36 million he paid for the team in 1984" (<u>Star Tribune</u> 10/5/97). This focus on numbers was an attempt to force the legislature into recognizing the economic crisis that the Twins were facing. Thus, the legislature had to act to save the team from imminent ruin before it is too late and they are forced to move out of state. Bell articulated the sense of urgency the Twins were trying to create: "We're concerned that the Legislature won't feel pressured to act. Three years have gone by and nothing's happened. . . .We've been told by people that nothing can be done until we get to the edge of the cliff. We're at the edge of the cliff" (<u>Star Tribune</u> 10/5/97).

The Twins also received support from major league baseball commissioner Bud Selig. Selig helped reinforce the economic framing of the issue by saying that Carl Pohlad, or any owner of the Twins, cannot survive in the Metrodome and, "if there isn't anything on the horizon to change the economics, baseball will allow that club to move. We'll have no alternative." Selig emphasized the crisis situation concerning the Twins and even hinted at the threats to move. "Unless somebody else has a different idea, a new stadium is the only option to keep the Twins economically viable. . . I have to say this to you very candidly: We cannot and will not consign a team to failure that can't make it" (Star Tribune 5/1/97).

Selig stated that Minnesota must agree to build a stadium by November 30, 1997 or the league will follow his lead and allow the Twins to move. He argued that "for anybody to think that, in this day and age, you can consign an owner to either uncompetitiveness or bankruptcy is sheer folly." As a result of his meeting with Selig, the Twins argument was reiterated by Minnesota's Governor Arne Carlson: Carlson clearly bought into the created crisis and helped to perpetuate it:

It's not a question of what I wanted to hear, it's a question of what all of us ought to hear. It's a reality of life. We have to confine ourselves to the realities, whether we like them or not. There are only two options: to build a stadium or not to build a stadium. If you choose the latter, there's no doubt in my mind the Twins will leave. (Star Tribune 10/7/97)

The economic arguments in favor of public funding also focused on the claim that "new stadiums help rejuvenate struggling urban core areas" (Star Tribune 9/15/97). The Minnesota Twins are certainly not the only team to frame this issue economically to create a sense of urgency, complete with threats of moving, to secure public funding for a new stadium. One of the best examples occurred in Cincinnati when both the Reds and the National Football League (NFL) Bengals wanted new separate facility stadiums to replace the Riverfront stadium that they shared at the time. Both teams claimed that they had been losing money over the previous few seasons in relation to their respective league averages and needed additional revenues to remain economically viable. The teams began making threats and the local media consistently referred to the struggle as a "crisis situation" (Blair and Swindell, 1997, p. 283). The Bengals threatened to leave Cincinnati after the 1999 season unless they received a new stadium; simply renovating the Riverfront stadium was considered unacceptable. Within two years voters approved a tax increase in 1996 to fund new stadiums for both teams. A study that examined the economic state of professional sports, particularly with respect to public funding of new sports facilities, found that the community "crisis" created by the sports team usually begins with the team owner "bemoaning the current and unfair state of the economics of his or her sport." Then the owner threatens that the team "will have to leave the community, as unpleasant and repulsive as that thought is, if a satisfactory facility is not built that has the potential to substantially increase revenues" (Rosentraub, 1997a, p. 8). In a policy study from the Heartland Institute, economist Robert A. Baade explains:

State and local government subsidies to professional sports businesses have proliferated over the past few decades, and economic arguments have been crafted to justify the subsidies. These arguments typically rest on the assertion that professional sports is a significant, even unique, catalyst for economic growth. By this reckoning, stadiums and teams are "cash cows" that expand the economy and enable further public investment in other critical areas (1994, p. 1).

Because the argument for state subsidies of professional sports is so often grounded in the economic benefits of a new stadium, we believe it is prudent to examine the evidence offered in the Twins stadium campaign in some detail.

The Arthur Andersen Report

It is commonly recognized that to sell the idea of sports subsidies to the voters, cities bring in consultants to show that a sports team playing in a new stadium would pump tens of millions of dollars a year into the local economy (Fulton, 1988, p. 38). With regard to the Minnesota Twins, the publication titled <u>Economic Impact</u> <u>Report: Minnesota Twins and a Proposed New Ballpark</u> (hereafter referred to simply as the report), composed by Arthur Andersen LLP, offers the basic arguments on behalf of the economic benefits of a new baseball-only stadium. This section will compare the major claims of the report with three decades of policy analysis on the economic benefits of stadiums. This comparison suggests that the economic argument is more fiction than fact.

The report was published in February of 1997. It describes its scope in the following manner:

This report

- Measures the annual economic impacts of the Minnesota Twins baseball club in the Metrodome and in a proposed a new baseball only ballpark.
- Measures the onetime construction economic impacts of building a new ballpark.
- Relies on historical data, fan surveys, and the results of other new ballparks to estimate future economic activity related to the proposed ballpark.
- Presents all results in 1996 dollars in order to provide comparability.
- Is not to be considered a financial forecast or a feasibility study.

The report was released to the public through Minnesota Wins and was an abridged version of the final analysis. Exact methodology for the estimates was not published. However, it is important to note that other researchers have explained the difficulties of these projections. Economists Robert Baade and Richard Dye (1990) argue that the impact of a stadium depends on information that is difficult to obtain such as spending estimates. As a result, the common techniques rely on

assumptions about the sources and uses for spending relative to the stadium. Many models assume that all of the spending on stadiums is a net increase in local spending (not redistribution within the area) and they assume that all of the spending stays in the area. Baade and Dye (1990) analyzed empirical evidence of stadiums' impact on surrounding areas. They conclude in eight of nine metropolitan areas that the impact of a stadium was insignificant. This is the same kind of evidence that the Andersen report claimed to have used.

In addition to the difficulties in estimating the economic value of stadiums to a community, public policy analysts David Swindell and Mark Rosentraub report that claims about the positive economic impact argument are simply not supported by years of research.

Though communities across North America continue to invest substantial amounts of tax dollars in the facilities used by professional sports franchises, there is little disagreement among policy analysis on the economic benefits from the presence of a sports facility and a team. Across three decades, a small group of scholars had concluded that neither teams nor the facilities they use are a source of substantial or even meaningful economic development (Swindell and Rosentraub, 1998, p. 13).

In fact, professor of economics Roger Noll points out that "opening a branch of Macy's had a greater economic impact" (Corliss, 1992 p. 52). The methods and conclusions of consultant-produced studies have been continually questioned. Swindell and Rosentraub (1998) indicate that these reports show greatly exaggerated, overly optimistic, or simply incorrect economic benefits. Ben Stevens, the director of a Rhode Island-based research institute, points out that consultant reports become "a compromise between the people paying for the study and the economist who wants reasonable numbers but doesn't have good data" (Fulton, 1998, p. 39).

Although it important to look at the conclusions of years of research, the rationale behind the report's conclusions should be examined. The report's analysis can be partitioned into five categories: Major League Baseball Economics and the Twins, Direct Economic Benefits, Construction Benefits, Indirect Benefits, and Community Benefits. Each category is examined in turn below.

Major League Economics and the Twins

The report provides a circular graphic that suggests as revenues are generated by the team, the team's competitiveness is enhanced, which increases fan support, which in turns increases revenues for the team, and so forth: "Teams with higher local revenues are consistently able to field more entertaining and competitive teams, generating more fan support and greater economic activity" (p. 5). In order to rejuvenate the Twins and turn it into a profitable business again, new sources of revenue are needed. A new stadium would increase fan attendance and provide revenue not currently available due to the Metrodome's physical limitations and a

lease that allows the Twins organization limited or no access to revenues from such sources as parking, private suites, and stadium advertising. The report notes that "the Twins are projecting stabilized attendance of 2.5 million fans" with a new stadium compared to the 1.4 million fans who attended games in 1996 (p. 8). The question we address is this: To what extent can a new stadium improve fan attendance and a team's competitiveness? The answer is, "It depends."

To support the claim that new ballparks increase attendence, the report notes that four recently-built ballparks have increased attendence by an average of 61%. The figures are calculated based on the attendance during the first three years after the new ballparks opened compared to the three years prior.

Change in millendance nevers for new banparis		
<u>Ballpark/Team</u>	Percent Change	
Camden Yards (Baltimore)	" Up 44%	
Jacobs Field (Cleveland)	Up 118%	
Comiskey Park (Chicago)	Up 94%	
The Ballpark at Arlington (Texas)	Up 22%	
Average of Four New Ballparks	<u>Up 61%</u>	

Change in Attendance Levels for New Ballparks

There are obvious problems with making the inference from the above data that attendance at Twins games would also increase 61%. The unproven assumption is that a new stadium by itself leads to increased attendance rather than attendance being encouraged by improved advertising and marketing or the success of the team. While the novelty of a new ballpark typically increases attendance in the short run, it is the success of the team that has a far more significant impact on fan enthusiasm and attendance. This is well documented for baseball teams in general, and we will show that it is true of the five teams the report compares in particular. Economist Philip K. Porter (1992) analyzed the relationship between ballpark attendance and the win/loss percentages for 26 major league baseball teams during 1966-1990. For all 26 teams he found that for each percentage-point increase in games won, fan attendance increased by over 40,000 in the year of improvement and by over 45,000 the following year. His data for the Minnesota Twins shows that area fans are even more responsive to success on the field: for each percentagepoint increase, attendance rose over 62,000 the first year and over 31,000 the next, for a total of 93,000 more fans for each percentage point of improvement. The age of the Metrodome or other ballparks is less relevant to attendance than whether or not the home team is winning or losing.

The evidence strongly suggests that the two most impressive examples of increased attendance, 94% at Chicago and 118% at Cleveland, are explained mostly by the teams' improved records. Attendance at Chicago White Sox games began to climb

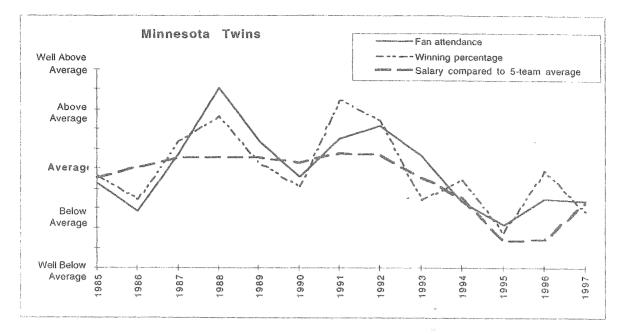
rapidly during the season immediately <u>prior</u> to the opening of new Comiskey Park in 1991 as the White Sox improved their winning percentage from 43% in 1989 to 58% in 1990. While the report is correct in observing that average attendance increased during the three-year period after the opening of the new park compared to the three years prior, a closer look at the data suggests the increase is mostly due to the improved record of the team. The White Sox had a 48.3% win/loss rate in the three years prior to moving to the new stadium, and won an average of 54.9% of their games in the next three years, so attendance probably would have increased with or without a new stadium.

A similar story can be told about the Cleveland Indians. While it is true that attendance at Jacobs Field in Cleveland increased dramatically during the 1994 through 1996 seasons, it is also the case that the Indians went from seven years of sub .500 play to winning percentages of 58.4% in 1994, 69.4% in 1995, and 61.5% in 1996. In the immediate three years prior to moving to a new stadium, the team won an average of 43% of its games. During 1994-1996, the team has won over 63% of its games. No wonder their attendance soared!

We conducted a statistical analysis of the Twins and the four teams discussed in the report to look at the relationships among changes in three factors: attendance, win/loss, and player-salary expenditures. Not too surprisingly, we found a positive correlation between winning and increased attendance for all five teams: If you win, fans will attend.¹ Can a new stadium inspire greater success? Not by itself. In Cleveland's case, correlation analysis suggests that it was significant new investment by the team owners to acquire quality players that led to greater team success.² In the case of the Texas Rangers, moving to a new stadium did not improve the teams win/loss rate, though greater investment by the owners on visible players probably did contribute to increased attendance. The Baltimore Orioles also appear to have enhanced attendance through higher salary budgets. In short, a new stadium by itself does not promise team improvement, though added revenues from a new stadium that is invested in the team—primarily through players' salaries—can improve the team's record and/or attendance.

⁺ The Pearson product-moment correlation scores between changes in win/loss and attendance were: Baltimore .74 (p = .004); Chicago .67 (p = .013); Cleveland .79 (p = .001); Minnesota .82 (p = .001); Texas .53 (p = .063). All but Texas are at recognized significance levels, and Texas is close to the .05 level of significance. Attendance and win/loss information is taken from <u>The Sporting News 1998</u> <u>Complete Baseball Record Book</u>. For more information about our analysis, see appendix 2.

² For the Cleveland Indians from 1985 to 1997 there was a .56 correlation (p = .045) between increases in salary budget relative to the other four teams and improvement in win/loss; relative only to their own average salaries, there was a .81 correlation (p = .001) between increases in salary budget and win/loss. Salary information gathered from yearly estimates published by <u>USAToday</u>.



If one looks at the Twins numbers from 1985 through 1997, two trends become apparent. First, fan attendance closely follows the team's win/loss record-just as predicted by Porter's research discussed above. When the team had strong seasons in 1987, 1988, and 1991, attendance rose accordingly. When the team's record dipped in 1989, 1990, and 1993-1997, attendance also sagged. The other important trend is the Twins' payroll budget for its players. The chart reflects how far the Twins payroll budget ranged above or below the average payroll budget of the five teams in this comparison (Baltimore, Chicago, Cleveland, Minnesota, and Texas). From 1985 until 1992 the Twins spent about the average of these teams on player salaries. In 1987, 1988, and 1991, owner Carl Pohlad got far more than his money's worth as the Twins achieved above-average success with only average salary costs. However, baseball economics has changed since 1990. Dramatic salary increases occured league-wide in the 1990s due to the delayed impact of free agency and the end of owner collusion to keep down salaries. According to figures provided by the Associated Press, average salaries in major league baseball increased from \$578,930 in 1990 to \$891,188 in 1991-an increase of almost 54%.

Major League Baseball Average Salary 1989-1998		
Year	Average	<u>Increase</u>
1989	\$ 512,804	are all the
1990	578,930	12.9%
1991	891,188	53.9%
1992	1,084,408	21.7%
1993	1,120,254	3.3%
1994	1,188,679	6.1%
1995	1,071,029	(-9.9)%
1996	1,176,967	9.9%
1997	1,383,578	17.6%
1998	1,441,406	4.2%

While the Twins kept pace in 1991, the amount spent on salaries has steadily declined since that time relative to the other teams in this comparison. As the Twins themselves note, the team now has one of the lowest player payrolls in major league baseball. Our analysis revealed that there is, indeed, a correlation between the Twins' payroll expenditures and win/loss, as well as between payroll expenditures and fan attendance.³ In short, owners of baseball teams usually get what they pay for. When owners invest in quality or high-profile players, they raise attendance and usually improve the team's competitiveness.

We do not mean to imply that a new stadium is of no value. We agree that some fans will return to games just to experience the new ballpark experience and higher attendance increases the revenue available for team owners to improve a team. Our point is simply that a new stadium offers no guarantees—either for improved team success or for a higher stabilized attendance rate.

The report points out that compared to newer stadiums, the Metrodome does not provide the same sort of income opportunities for the Twins that a new stadium would. We are led to believe that the increased revenue to team owner Carl Pohlad and the Twins organization would be reinvested to make the team more competitive, thereby generating increased fan support. Would this really happen? If so, it would unfold something like this: The appeal of outdoor baseball in a new stadium increases attendance significantly for the first few years of the stadium. Pohlad simultaneously increases the team's budget for player salaries and signs a number of quality players from free agency. The team's record improves dramatically during this period, starting a chain reaction of success on the field generating fan support in turn generating revenue for the Twins which is reinvested in the team which leads to continued success on the field.

Of course there are many "ifs" in this chain of events. Pohlad has made it clear from the start that he does not like losing money on the Twins. His offer to let the team go public was predicated upon him recouping the \$80+ million he says he has already lost on the team. Also, the Twins' track record of salary expenditures since 1991 so far has not proven the team is willing to spend what it needs in order to field a winning team. The report contends that "The Twins would have to generate at least an additional \$30 million in annual revenues in order to spend the industry average on payroll and eliminate current operating losses" (p. 6). What happens if \$30 million in additional revenues are not generated by a new stadium? What would be the priority—short-term profit (minimizing losses) or trying to produce longterm profit by fielding a competitive team? Pohlad is described in a lengthy article in the <u>Star Tribune</u> as a sometimes notorious businessman who is not terribly interested in deepening his investment in the Twins. In the past "he has

³ For the Minnesota Twins from 1985 to 1997 there was a .66 correlation (p = .015) between payroll expenditures relative to the other four teams and win/loss. During the same time period the correlation was .71 (p = .006) between payroll expenditures and fan attendance.

been accused in public and private ventures of selling out the interests of others for his own gain" (Star Tribune 4/20/97). If the account is even partially correct, it is certainly possible that the increased revenues from a new stadium would be used to restore past losses the Pohlad family fortune and that the team would continue to be one of the lowest paid teams in baseball. In other words, there are no guarantees that increased profitability of the team would translate into the investment needed for improved success on the field.

Sports economists recognize that most baseball fans are fickle. There may still be teams who have such loyal fans that attendance is relatively stable whether the team wins or loses. But for most teams, there is a direct relationship between win/loss and game attendance. This has certainly been the case for the Twins, as attendance has risen and fallen very much in concert with the team's record. Interestingly enough, Porter's study concludes that fickle fans are more likely to get a winning team than loyal fans: "When fans demand a winner and express their distaste for losing by staying away from the games, the owner is more likely to hire the talent it takes to produce a winner." Fans who are loyal regardless of the team's success are actually more likely "to be presented with a losing team" (1992, p. 75). Accordingly, there is a stand-off between the public and Pohlad in terms of attendance at Twins games. Fickle fans are unlikely to return to the ballpark in significant numbers unless the team's win/loss record improves, but Carl Pohlad is unlikely to make the additional investments necessary for such success until a more profitable stadium arrangement is provided. Pohlad wants the public, in effect, to invest in the Twins so that he can benefit economically and the community can benefit by the team's success. So far, the indications are that the public will not take the risk.

Direct Economic Benefits

Direct benefits include money spent by the sports franchise, its employees and its patrons. The report divides these benefits into three categories: direct spending, jobs, and taxes.

Spending: The report states that the annual spending related to the Twins in the Metrodome is \$48.8 million. The annual spending in the new ballpark is estimated at \$84.7 million, resulting in an annual increase of \$35.9 million. These numbers include spending inside and outside of the park, including spending on player salaries, Twins' and ballpark employees and other goods and services, and by food and beverage suppliers, spectators and visiting teams (p. 12). The problem is that these economic forecasts assume that all spending associated with the stadium is new to the economy. Economists argue that this is not a correct assumption. If an individual decides to go the new ballpark to see the Twins on a Saturday night it is likely that this person is spending money that would have otherwise have been spent elsewhere in the economy (for example on a movie and dinner). Additionally, the report attributes all spending by out-of-town visitors to the sports team regardless of the motive for the visit. However, the redistribution argument

applies here as well. For example, if a conventioneer goes to a baseball game, the hotel expenditures should not be counted as net gains to the economy as a result of the stadium.

A good portion of the spending increase calculated includes estimates about player salaries. But much of this income <u>leaves</u> the local economy due to two reasons. First, many players do not live in Minnesota, so much of their income is spent elsewhere. Second, as high income earners professional baseball players tend to save more than most people. Those savings are often channelled into the international financial community and as such have little to no impact on a local economy. Rosentraub (1998) suggests it is probably safe to assume that most of the players' salaries immediately leave the economy, which explains why the multiplier for professional sports is <u>lower</u> than the multiplier for spending for local arts organizations.

Jobs: Currently the Twins support 557 FTE (full time equivalent) jobs. The report estimates that the number of jobs would increase to 699 FTE jobs with a new stadium. The additional jobs are generated both inside and outside the park by expected increases in attendance (pp. 12-13). There are two problems with such a claim. First, it is important to note the statistical evidence presented above that indicates attendance will not necessarily rise and stabilize with a new ballpark absent a commitment to reinvestment by the owner. Job creation may not materialize in the manner envisioned by the authors of the report. Second, it is important to note that the report indicates that a new stadium would increase full time equivalents, not full time jobs. These jobs, many of which are part time and seasonal, include ticket takers, ushers, vendors, restaurant and bar workers, guards, parking lot attendants and so on. Ironically, the longterm impact of such jobs to the local economy can actually be negative. Economists Baade and Dye discuss the economic impact of stadium job creation:

> The impact of stadium construction or renovation on the metropolitan area's share of regional income is negative and significant. This result is consistent with the kind of activity that stadiums and economic sports spawn. Professional sports and stadiums divert economic development toward labor-intensive, relatively unskilled labor (low wage) activities. To the extent that this developmental path diverges from less laborintensive, more highly skilled labor (high-wage) activities characteristic of other economies within the region, it would be expected that the sportsminded area would experience a falling share of regional income (1990, p. 12).

The results of Baade's studies (1996) indicate that there is not a strong positive correlation between professional sports and job creation. These findings are contrary to what has been projected by commercial economic impact studies. Rosentraub states that sports teams are small to medium-sized firms and that they

are too small to be considered economic engines: "They have too few employees and involve too few direct dollars to be a driving force in any city or county's economy" (1997c, p. 15).

Taxes: The state and local tax revenue generated as a result of a new stadium is estimated to be \$13.5 million compared with the Metrodome revenue at \$7 million (p. 13). Rosentraub notes that "a sports team or facility could be quite successful and could even generate positive economic impact but fail to produce the tax dollars a city, country or state needs to pay for its investments in sports" (1997a, p. 180). One of the reasons this is true is because of the reliance of the government of property taxes. Most sports arenas and stadia are exempt from local property taxes. Additionally, the tax revenue is based on projected attendance data. Although it is recognized that a new stadium will attract increased attendance in the beginning due to the novelty effect, the increase in attendance will probably not stabilize at as high of a rate as predicted. Baade (1996) notes that looking at new stadiums like Camden Yards and Gateway may lead to encouraging estimates for other new stadiums, as indeed the Twins have done. But the experience of other ballparks suggests that after the first season or two the novelty effect could easily wear off. At this point the data is limited and projections based on these stadiums first few years of operation is not sufficient to project stable attendance figures. This is significant for the tax revenue projection because many taxes like sales and ticket taxes are dependent on attendance. Again, stabilized higher attendance is not guaranteed by new stadium construction; therefore, tax revenue may not increase to the levels projected by the report. Rosentraub (1997c) concludes that "the public sector does not receive a monetary return on its investment; fiscal returns on investments are reserved for the teams owners while the public sector's investment-through taxes-does not generate any revenue or direct financial returns" from the normal operation of the facilities (1997, p. 16).

Construction Impacts

The report indicates that building a retractable roof ballpark will cost between \$310 to \$350 million. They estimate over four years that \$184.8 million will be spent in Minnesota and that 402 FTE employees will be utilized in the project annually (p. 14). It may appear that this one-time construction benefit is undeniable, but Rosentraub (1998) explains there is no net gain to the local economy: "Since the workers are paid by tax dollars taken from residents, these residents have less to spend that reduces their demand for goods and services. This lower demand, at the margin, reduces the demand for labor so whatever is gained through stadium construction is lost by other sectors of the economy." Furthermore, as a justification for the ballpark it is important to consider whether spending hundreds of millions of tax dollars on a stadium is an effective public works program at a cost of \$459,700 per job (\$114,925 per year). Baade and Dye (1990) point out that because government subsidies are involved in such forecasts the policy alternatives for that money should be considered in the economic models. The report, understandably, does not delineate the value of the other employment or public spending options—in

other words the "opportunity cost" of stadium spending. Baade suggests that if the money that is spent on sports shifts resources away from the manufacturing sector, and if manufacturing sector jobs are more stable with a higher-wage, that the ultimate impact of stadium spending may be to actually slow a region's economic growth (1994, p. 8).

Indirect Impacts

Direct spending in one area results in businesses and their employees spending part of that income on other goods and services at other area businesses. Those businesses and employees in turn spend a fraction of their income at other area businesses and the process is continued. It is these subsequent rounds of spending that are projected by "indirect benefit" data. Since direct spending results in indirect spending, the direct spending is said to "multiply" through the economy. Despite the fact that the report's scope indicates emphasis on direct impacts, the indirect economic impacts of a new stadium were projected to illustrate the broader effects of the stadium. The report used the regional multiplier 2.0 to estimate the impact of each dollar of direct spending is assumed to generate one dollar of additional spending in the economy. So the report indicates that the indirect effects of the Twins in a new stadium would be \$84.7 million, compared to \$48.8 million in the Metrodome. The indirect construction impact would be an additional \$184.8 million (p. 15).

So are these projections made by the report realistic projections of indirect spending? Unlike other professional sports teams' stadium projections the report is not using an unrealistically optimistic multiplier of three or more (which indicates a considerable economic impact). Baade recognizes that the recent norm for economic multipliers is two or less. He warns that "even these lower multipliers are suspect" because they make assumptions about where each dollar is spent and would have been spent in the absence of the team. He points out that these studies assume that direct expenditures are new increases in local spending and that much of that income would stay in the community (1994, p. 7). Recall that researchers find that most of the direct spending surrounding new stadiums is simply redistributed income, so the multiplier effect of that money in the economy would have existed even if the ballpark had not. Furthermore, remember that the direct spending includes income from player salaries. This income may not be multiplied in the economy at the same rate as other spending because a majority of players do not live in the immediate area. For example, Cleveland City Councilman Pat O'Malley states that not a single of the Brown's players lives in the city. In that case, all of the money generated by players does nothing to help the people of the city (Spires, 1996).

Community Benefits

The report outlines some of the intangible benefits that a new ballpark could have for the local community (p.16). These benefits include

- Affordable family entertainment.
- A regional attraction for the upper midwest.
- · Enhancements of Minnesota's national image.
- Community pride and tradition.

It is important to acknowledge that professional sports teams can provide intangible and psychological benefits to some communities. Economists James Quirk and Rodney Fort (1992) note:

It might well be that the most important benefit that a team provides for a city is as a common symbol, something that brings the citizen of the city together, especially during those exhilarating times when the city has a world series champion or a super bowl winner... It can be argued that recognition of this role for a pro sports team is what really underlies the large subsidies that cities have provided for sports teams, rather than the more mundane ... expenditure benefits (1992, p. 176).

Our point is that the "intangibles" argument is precisely the one argument that the Twins have underemphasized. A more defensible and credible position for the Twins would be to acknowledge that the direct economic benefits of a new stadium may be marginal, but that the primary value of a new stadium is to enhance the intangible values associated with a hometown professional baseball team. Such an approach would be more honest and less open to refutation by three decades of economic studies. Robert Baade (1996), who normally critiques economic arguments for public funding of stadiums, recognizes that there are intangible benefits to retaining sports teams in some cities. Baade argues that:

If cities subsidize commercial sports in the quest for an improved image or to enhance the quality of life for its citizens, then taxpayers should be allowed to decide the stadium subsidy issue on these bases. Using economics as a justification for the subsidy is a political expedient, perhaps necessity, but it is inconsistent with the statistical evidence (1996, p. 37).

The Legislative Response

Our interviews with Minnesota legislators indicate that a majority thought the conclusions in the Andersen report were overstated. Senator John Marty said it most clearly: "The Twins got what they paid for." Although few legislators were as blunt as Senator Marty, the report does not appear to have enjoyed much credibility (though one senator insisted the Andersen report <u>underestimated</u> the economic benefits). The fact that the Twins commissioned the report was impossible for many to ignore, as was the fact that the projections were so much higher than those

represented in other economic studies. Senator Allan Spear discredited the report because "the objective studies all came to the conclusion that stadiums and major league sports spur very little economic growth." Senator Steve Kelly echoed the redistribution argument stating that a new stadium "only moved entertainment dollars around." The work of Mark Rosentraub, cited earlier in this chapter, was identified as influential by at least one legislator.

Comments from Representative Len Biernat were consistent with those among the group who believed that although there would be some economic benefit, it would be negated by the public price tag involved. Representative Biernat said, "The one thing that convinced me was that if you look at the Metrodome, where is the economic development? There's a bar in the area but nothing else." Others within this group said that the sole economic growth arising from the Metrodome appeared to be Hubert's Bar and the game night profit margins enjoyed by local parking lot owners. Revenue projection studies done prior to the development of the Metrodome had claimed that there would be economic growth—growth that had never panned out. There was a discernable population among Minnesota legislators that believed that the same would hold true for a new Twins stadium. Despite the efforts of Pohlad and the Twins to force the legislature into thinking that the economics of stadium construction would save a baseball team for the area by enhancing team revenue and generating economic development, most legislators were not persuaded. They looked beyond the persuasive campaign to empirical evidence to base their economic decisions.

Two Conclusions

This chapter has illustrated that claims of economic benefits as justification for new stadium construction are more fiction than fact. The Twins' emphasis on economic strategies is understandable; unfortunately, the economic arguments are not grounded in the years of research and experience surrounding stadium construction. The <u>Economic Impact Report</u> is fraught with problematic assumptions surrounding the future benefits of the new stadium. To be fair, Arthur Andersen LLP makes clear at the outset that the report "is not to be considered a financial forecast or a feasibility study." But, of course, that is precisely what the Minnesota Twins hoped the report would be used for—otherwise, why bother to commission the study? The direct economic benefits of a new stadium are marginal. After years of research on the issue, Baade concludes that the economic argument is not a strong one.

The results from this study do not support a positive correlation between professional sports and job creation. . . professional sports realign economic activity within a city's leisure industry rather than adding to it. These results suggest that professional sports have been oversold by professional sports boosters as a catalyst for economic development. . . . As a consequence, cities should be wary of committing substantial portions of their capital budgets to building stadiums and to subsidizing professional

sports in the expectation of substantial income and job growth. As a catalyst for economic development, professional sports' batting average resembles that of a replacement player rather than a major leaguer (1996, p. 16).

Accordingly, we first conclude that it would benefit the Twins and the public dialogue on the stadium issue to concentrate less on the dubious economic impacts of a new stadium and concentrate more on such questions as how the Twins owner, Carl Pohlad, will utilize new revenue, and how much the citizens of Minnesota truly value having a hometown professional baseball team.

Our second conclusion is that the Twins should more seriously consider seeking private funding for a new stadium. Private funding is the path that the San Francisco Giants have pursued in the face of persistent public opposition to public funding (Start Tribine 2/9/97). There are two potential problems with private financing. First, some critics say the investment in a stadium cannot be made attractive and profitable to investors. According to Senator John Marty, investors are interested here but private financing has not been seriously considered by the Twins: "One Minneapolis businessman who is trying to put together a private financing package here says he has been repeatedly rebuffed" by the Twins (Star Tribune 2/9/97). On the other hand, if investors cannot be attracted, that fact would seem to be an admission that public funding of a stadium amounts to a taxpayer subsidy to an unprofitable business investment. Second, critics of private financing say that there is no way a team who has to pay for its own stadium can compete against teams who benefit from publicly-subsidized stadiums. In a sense, this is not the taxpayers' problem. Professional baseball economics are unfair now, with teams in large media markets or with generous state and local governments providing an edge over teams in smaller markets (such as the Twins). It is up to Major League Baseball to continue to pursue reforms such as revenue sharing to provide a more level playing field.

Chapter 4 Declining Fan Support and the Court of Public Opinion

The goal of this chapter is to examine public opinion relevant to the Twins' new stadium campaign. Public opinion was voiced in many ways throughout the campaign. This chapter will focus on public opinion surveys. Specifically, we provide a critical analysis of the many surveys and studies done to take the public pulse on the issue of new stadium funding in Minnesota; and, based on recent public opinion research, we try to account for the public sentiment on the issue of public funding both in general and in Minnesota in particular. We advance three specific claims: public sentiment was clear and consistent throughout the campaign; not all surveys are created equal; and, the Twins and team supporters failed to adequately address the problem of declining fan support and the strong anti-stadium sentiment.

We identified 21 surveys conducted between September 1995 and November 1997 involving 13 different organizations. What follows is a summary of each of the 21 surveys and a discussion that offers a critical analysis of public opinion in the Twins stadium campaign by taking a closer look at specific results, general trends, and the construction and measurement of the polls themselves. The descriptions at this point are not intended to be comprehensive accounts but rather indicators of the purpose and significance of each survey.

A Chronology

1. The St. Paul <u>Pioneer Press</u> and KARE-TV conducted a survey on September 15-17, 1995 asking how important citizens felt it was to keep the Twins in Minnesota and whether they would support using tax money to build a new stadium. 52% considered it "somewhat" or "very" important that the T wins remain in Minnesota, but 69% opposed using tax money to build a new stadium.

2. Professor Steve Frank and St. Cloud State Universities Social Science Research Institute conducted a survey in February, 1996. The St. Cloud State study was a state-wide survey polling on a variety of topics including alcohol use, drinking and driving, political elections, and sports. The sports-related questions constituted 11 of the 59 questions in the survey. The question that asked Minnesotans to rate the importance (from 1- to 100, 100 being the most important) of having professional football, basketball or hockey in Minnesota is of particular interest. The average ratings of importance were, football 56, baseball 53, hockey 41, and basketball 38.

3. Frank and St. Cloud State University conducted a similar survey in October, 1996. This survey included questions concerning the Twins stadium campaign specifically. The results showed that 81% of Minnesotans would vote against supporting the Twins if a referendum for public funding of a new stadium were put to them. 4. The <u>Star Tribune</u> Minnesota Poll conducted a poll January 17-19, 1997. The survey asked respondents to indicate whether they favored or opposed each of several funding options for a new baseball stadium. The funding options and their respective favorability scores were as follows: sales tax on goods and services purchased in the metro area, 21%; tax on liquor sold in the metro area, 50%; tax on all hotel rooms in the metro area, 32%; an additional statewide tax on cigarettes, 48%; and a ticket tax on events at a new stadium, 50%. Respondents were asked if the state should use some if its projected revenue surplus for part of a new Twin baseball stadium. 75% answered no.

5. Frank and St. Cloud State University conducted another survey in February, 1997. 65% of respondents opposed while 31% favored supporting a new Twins stadium if the money came from various user taxes and not general taxes such as sales, property or income taxes.

6. The Indian Gaming Association sponsored a survey on March 13-14, 1997. Results indicated that 71% of respondents opposed expansion of gambling to pay for a stadium.

7. Minnesota Wins sponsored a March 12-15, 1997 survey that marked the first of several surveys that Wins eventually sponsored. Results showed that 67% of respondents supported using slot machines at Canterbury Park racetrack to fund the new stadium.

8. Minnesota Wins sponsored an April 11-14, 1997 survey. They reported that 65% of respondents supported funding a new stadium with revenues from a special baseball theme scratch-off lottery ticket. Other questions were asked relating to other funding options and considerations.

9. The <u>Star Tribune</u> Minnesota Poll sponsored an April 18-23, 1997 poll. The survey addressed questions concerning the public's opinions on the use of gambling revenues to finance a new stadium; and regarding public attitudes about the value of the Twins in general. 62% of respondents favored the use of gambling proceeds and 40% of respondents said it would be a big loss if the Twins left the state.

10. <u>Pioneer Press</u>, KARE-TV and Minnesota Public Radio (MPR) sponsored a poll that was conducted June 6-8, 1997. 84% of voters said using money from state income taxes to keep the Twins in Minnesota was a bad idea. Several other options for public funding were also rated.

11. The Republican Party sponsored a poll at the Minnesota State Fair in August, 1997. This was one of four non-random surveys conducted at the State Fair. The poll included more than 14,000 respondents, 74.1% of which opposed any type of state funding for a new Twins stadium. 11.5% of respondents said state funding would be acceptable of the state contribution was limited to 25% of the total cost.

12. Nonpartisan staff of the senate also conducted a survey at the State Fair in August, 1997. This was an non-random survey of 3,556 fairgoers. 62% of those who participated (responding through an interactive computer program) said they opposed any state funding of a new ballpark. Several specific proposed funding alternatives were also rated.

13. Staff members of the Minnesota House and Senate conducted another of the State Fair polls in August, 1997. This was an unscientific survey of approximately 7,800 people. When asked "Should the state take an active role in preventing professional athletic teams from leaving Minnesota?" 78% of respondents answered "no."

14. The state Democratic party sponsored the last of the non-random surveys conducted at the Minnesota State Fair in August, 1997. They found the level of opposition to stadium funding at 80 to 85%.

15. Minnesota Wins sponsored this September 11-17, 1997 poll. This survey looked for changes in public opinion based on a comparison with results from their April, 1997 poll. They found that public opinion had not changed much with 58% of respondents opposed to providing public funds for a new baseball stadium. When the public is assured that no new taxes or general revenues will be used to finance a stadium, public support of a new stadium rises significantly.

16. The <u>Pioneer Press</u>, MPR, and KARE-TV sponsored this October 8-9, 1997 survey. Fifty-six% of the 626 voters surveyed said they would vote for the charter amendment that would set a presumed \$10 million limit on the financial assistance city officials might provide for a new baseball stadium.

17. Frank and St. Cloud State University conducted a poll October 12-19, 1997. For this survey, questions about the Twins stadium were modified to represent the proposal of the special legislative task force on the Twins stadium. The legislative taskforce proposed a \$400 million retractable dome stadium using \$250 in state contributions \$50 million from city and county sources and \$100 from the Twins organization. The \$250 million from the general public could come from one or a combination of increased cigarette taxes, user taxes on hotels and car rentals in the Twin Cities area, or funds from gambling. More than two thirds of Minnesota adults did not support the proposal. Moreover, when asked if it meant that the Twins would leave Minnesota, 70% of those opposed reported they would not change their minds. 17% of those opposed said they would be even less likely to support public funding if threatened with the loss of the Twins. Respondents at this time were also asked to rate (from 1-100) the importance of having professional sports teams in Minnesota. When compared to the results of the same questions asked in February, 1996, football and hockey stayed the same while professional basketball gained about five points and baseball lost about nine points.

18. The <u>Pioneer Press</u>, KARE-TV and MPR sponsored this October 13-15, 1997 survey. Results showed that four in 10 voters thought if Twins owner Carl Pohlad wants a new stadium, he should pay the entire bill. Three-fourths thought he should pay at least half. Various other funding options were also rated.

19. KSTP-TV sponsored an October 16-19, 1997 poll. The poll found that 63% of respondents thought the state should stay out of the Twins new stadium situation even if the deal is done without using income- or sales-tax revenue.

20. <u>Star Tribune</u> and KMSP-TV sponsored a survey that was also conducted October 16-19, 1997. Seventy-four percent of respondents indicated that they oppose or strongly oppose the use of public funding for a new Twins baseball stadium.

21. Minnesota Wins sponsored this November 6-8, 1997 survey. This was the last of the surveys sponsored by the Minnesota Wins organization. 77% of respondents supported using a user-fee/player tax combination for funding the proposed stadium while 21% of respondents opposed. At the same time, however, 59% of respondents were against any construction of a new stadium, while 23% of respondents were in favor.

These surveys and their impact provide ample material for an analysis of the public response to the Twins new stadium campaign. It is clear that there was very strong opposition. What is important in this case is the extent to which that opposition was voiced and the extent to which the Twins supporters chose not to engage it directly. A review of these polls highlights three specific issues that explain how public opinion was present and influential in the progression and outcome of the campaign.

1. Public sentiment was remarkably clear and consistent throughout the campaign. Results showed that public opposition to the use of public funds for a new stadium was strong and clear. In addition, there were a number of other consistent trends that can be gleaned from the survey data. To describe the prominent themes in the results, the surveys and their questions will be discussed along two themes: the debate over the use of general public funds to build a new stadium and the discussion of alternative funding sources.

- The September, 1995 poll by <u>Pioneer Press</u> and KARE-TV found that 69% were opposed to using tax money "to build a new stadium" even "if that meant keeping the Twihns in the state."
- The October, 1996 poll sponsored and conducted by St. Cloud State University found that 81% of respondents would vote against supporting the Twins with funding from general taxes.
- The January, 1997 <u>Star Tribune</u> Minnesota Poll reported that 75% of respondents said they did not want any of the projected state revenue surplus to be used for part of a new Twins baseball stadium.
- The March, 1997 Minnesota Wins poll found that 60% of respondents

opposed state assistance for a new ballpark.

- The June, 1997 <u>Pioneer Press</u>, KARE-TV and MPR poll found that 84% of voters opposed using tax revenues to help keep the Twins in Minnesota.
- All four of the non-random Minnesota State Fair polls in August, 1997 found great opposition to public financial support of a new ballpark. The Republican Party, the nonpartisan staff of the senate, the House and Senate staff, and the Democratic party recorded levels of opposition at 74.1%, 62%, 78% and 85% respectively.
- Based on their September, 1997 poll, Minnesota Wins conceded that public opinion on the generic support question had not changed much since its last poll in April, 1997. 58% of respondents opposed or strongly opposed public support of a new stadium.
- The October, 1997 KSTP-TV poll found that 63% of respondents opposed any State involvement (financial or otherwise) in the Twins new stadium. At the same time, a <u>Star Tribune</u> and KMSP-TV poll found that 74% of respondents opposed the use of public funds for a new Twins baseball stadium.

The total range of opposition in the polls reviewed was from 85% at its highest point to 58% at its lowest point. The trend over time, however, saw opposition at 81% in October, 1996 progressing to an average 69% at the time the last related polls were conducted in October, 1997. The polls claim a maximum five% error rate making this a change of practical significance. In other words, when all the possible error is taken into account, there is still a small but visible change in opinion over time.

One possible explanation for the slight decrease in opposition is the influence of <u>salience</u>. Salience refers to the level of importance attributed to a given issue. It indicates to what degree an individual is going to take an issue seriously or see it as relevant to his or her own life. As the campaign progressed and the Twins fate became more uncertain, the public began to see the issue as more salient. The possibility of the Twins leaving Minnesota became a real one and the public had to decide how it was going to deal with that possibility. Do "we" hold on to our opposition to public financing of the private Twins organization or do the intangible values of having a hometown major league baseball team begin to offset the cost of public financing? This struggle was reflected in the slight change in public attitude during October of 1997. In the end, the increased salience was not enough to change the majority opinion that opposed public support for a new Twins stadium. Overall, the public was consistent in voicing its opposition to the public funding of a new baseball stadium.

The second major theme of questioning in the polls concerns <u>how</u> the stadium would be funded. A number of funding sources were tested in multiple polls. Proposed options included cigarette, liquor and user taxes, and forms of gambling revenues. The results were varied but the number of surveys conducted and the number of citizens polled provides evidence of consistent trends in public attitude toward the countless funding options. Polled responses to the various funding options can be broken down into two main categories. The first of these categories includes sin taxes (taxes on the sale of alcohol and tobacco) and all forms of gambling expansion (any gambling run by the Indian Gaming Association or the state). The second category encompasses an array of miscellaneous taxes on ballpark concessions, downtown entertainment, sports memorabilia, and user fees. More than half of the polls included questions relating to one or more of these proposed options. Some specific results have been summarized here to highlight the sentiment of the respondents.

The sin taxes of the first category were among the first options to appear in the polls. In January, 1997 a <u>Star Tribune</u> Minnesota Poll found 50% of respondents supported a metro area liquor tax and 48% supported a statewide cigarette tax. The <u>Pioneer</u> <u>Press</u>, KARE-TV News, MPR polls saw the support for cigarette and alcohol taxes dip to 43% in June, 1997 and the support for a cigarette taxes alone to drop to 39% in October, 1997. The support for these was at best lukewarm, never reaching majority status. By the end of the 1997 campaign, these sin taxes did not appear to be a driving force of any funding proposals. The targeting of sins taxes is usually pursued because they are perceived as less likely to be opposed by the general public. After all, the tax enables a minority group of "sinners" to repent for their actions. A problem in this logic may be that the sin tax in reality effects a majority population. That population was given a voice in the public opinion polls and the results are influenced accordingly.

It should be noted here that the Minnesota Wins organization also surveyed questions concerning the cigarette and alcohol tax proposals. The results on these and other funding proposals, however, showed support that was an average of 27% higher than that found by news organization polls conducted during similar time periods. This is a significant disparity and an issue that will be taken up in the next section. For the purpose of the current discussion, the comparison of results is taken only from news organization sponsored polls.

Of all the funding proposals floated during the campaign, gambling revenues seemed to receive the most attention. The most common gambling options involved slot machines at Canterbury Park horse racing track (located in a southern Minneapolis suburb, Minnesota state lottery expansion (via a special scratch-off ticket, or a state-run casino), and the garnering of Indian Gaming Association gambling revenues. In general, polls found majority support for the use of gambling money to finance a new stadium. <u>Star Tribune</u> Minnesota polls found 62% and 54% of respondents supported the use of gambling proceeds when polled in April, 1997 and October, 1997, respectively.

When asked to rate specific options, the support for the use of gambling revenue appeared to diminish initially but rebound near the end of the 1997 campaign. A June, 1997, <u>Pioneer Press</u>, KARE-TV News and MPR poll found 33% of respondents

supported slot-machine gambling at Canterbury Park and 34% supported stateoperated casinos. By October, 1997, a new <u>Pioneer Press</u> poll reported 45% of respondents supported Canterbury Park slot-machine gambling. In the same poll, 43% of respondents said they supported the use of tribal money and 28% supported the use of State lottery money. Also in October, 1997 a <u>Star Tribune</u> Minnesota poll reported that 59% of respondents favored allowing slot machines at Canterbury Park.

The consistent trend here is one of tentative or ambivalent support. The results indicated some thoughtful consideration for gambling as a funding option, but average support fell in a safe range of non-commitment. There was, however, an overall increase in support for the stadium issue which is most certainly a reflection of the general shift away from public funding options.

An array of user taxes and fees represent the second category of specific funding options that were proposed throughout the latter part of 1997. Of these, the least amount of support was found for a proposed sales tax on goods and services in the metro area: 21% in favor according to a January, 1997 <u>Star Tribune</u> Minnesota Poll; 31% and 14% in favor according to June, 1997 and October, 1997 <u>Pioneer Press</u>, KARE-TV, MPR polls. The <u>Pioneer Press</u> found even less support for a Minneapolis-only sales tax in its June, 1997 survey. Only 20% of respondents were in favor of that proposal.

The next option was a hotel, motel and bar tax in the Twin Cities. A January, 1997 <u>Star Tribune</u> Minnesota Poll reported that 32% of respondents were in favor of such a tax. A June, 1997 <u>Pioneer Press</u>, KARE-TV, MPR poll found that 44% of respondents supported the hotel tax. Although not yet a majority, the increase in support represents the positive response generated when proposals targeted the user as the source of funding. This shift is seen more clearly in the last of the funding options that will be discussed.

The only miscellaneous tax option to receive majority support was the proposed ticket tax on events at a new stadium. This option was relatively popular early on and appeared to stay that way through the end of the 1997 campaign. In January, 1997 a <u>Star Tribune</u> Minnesota poll reported that 50% of respondents favored the idea. Support for this option held and even increased a bit according to an October, 1997 <u>Pioneer Press</u>, KARE-11 TV, MPR poll. At that time, 56% of respondents favored fees on stadium tickets. Again, this proposal targets the user as the source of funding for a new stadium.

This user fee approach represents a funding option that is far removed from the general public funding proposal that was so objectionable to the public throughout the campaign. Options such as gambling revenues and special sales taxes were proposed as non-general public funds, but in practice they were perceived as additional general funds. The belief was that, if collected, those additional funds

could and should be considered for use in areas other than the financial support of professional sports. Significantly, this sentiment matches the position of the grassroots campaigns described in chapter two. It is not surprising, then, that user fees generated more support than many of the other funding options proposed throughout the campaign and that the miscellaneous sales taxes were heartily rejected.

The percentage of respondents favoring gambling revenues fell between those for taxes and user fees and did at times represent a majority. The variance in these scores represents the only ambiguity found in polling results. A possible explanation is that gambling options represent a struggle between conflicting values. The potential for revenue from a gambling source is great, but there is a moral price to pay for increasing the already substantial gambling industry in the state. This struggle also appeared to have been influenced by the salience of the issue near the end of the 1997 campaign as evidenced by the increase in support of gambling proposals during October. In other words, a personally-held value that is made salient at a time of questioning will influence the direction of the response. The shift in response scores indicates that near the end of 1997, the need for money to resolve the stadium issue was becoming the more salient value.

In sum, individual results appeared to illustrate a variation in attitude but clear and consistent messages were communicated by the public opinion polls of the 1997 campaign:

- The public opposed any form of general public funding of a new baseball stadium. As long as funding does not come from new taxes or out of the general fund, the public was willing to consider it. And the less the proposal can be interpreted as a general fund extension, the more likely it is to be supported.
- The funding option most likely to avoid vehement public opposition is from legalized gambling.
- Salience affected responses to proposals but not enough to influence outcomes. As time in the legislative session became short and proposal after proposal failed, support for new funding options began to increase slightly.
- The public is opposed to all new taxes except that of a stadium ticket tax.

2. Not all surveys are created equal. We contend that there is a hierarchy of credibility within the collection of public opinion polls. That is, some polls are more valid and reliable than others. The hierarchy is suggested by the ways the poll results were framed in newspaper reports and by the inconsistencies in poll results.

Overall, the Frank and St. Cloud State University surveys were granted the highest level of credibility when reporting polling results. The SCSU polls were discussed in at least three Twin Cities newspaper reports (all <u>Pioneer Press</u>; 9/3/97, 10/19/97, & 10/23/97). Not only were the polls reported, but they were used to validate other

poll results. A clear example can be found in a September 3, 1997 <u>Pioneer Press</u> article. The article reported the State Fair, non-random polling results and incorporated the St. Cloud State University results to validate those findings. The <u>Pioneer Press</u> article read, "St. Cloud State University conducted a random scientific opinion poll statewide and found that two-thirds of adult Minnesotans opposed using state money for a stadium. Steve Frank, the professor in charge of the polling, said Tuesday he suspects the State Fair polling—however informal—reflects real opposition" (9/3/97). It is clear that the regard for the SCSU polls and Frank's position as administrator yielded them the credibility to comment on the results of these other polls.

As mentioned above, the SCSU polls were referred to as "random" and "scientific" compared to the State fair polls that were described as "unscientific." This refers to the fact that the polls were administered with appropriate sample size, error rate, and confidence intervals. Extra calculations for proper weighting of samples was also performed to insure that the sample was as representative as possible of the actual Minnesota population. All of these reported details offer further evidence of the validity of the SCSU polls.

News organization polls are given the next highest level of credibility. News organization sponsored polls are generally regarded as more credible than special interest group polls, but there are some limitations to their findings in the case of the Twins new stadium campaign. The published reports of their results consistently included sampling information such as size, error, and confidence interval which provides assurance that the polls were conducted professionally. News organizations are not given the highest level of credibility, however, because it became apparent that the <u>Star Tribune</u> strongly favored a new stadium. This matter is taken up in the next chapter so we will mention it only briefly here. Suffice it to say that the newspaper coverage of the stadium campaign suggested that individual organizations had taken a position on the Twins issue. Frank and St. Cloud State University research have no affiliation with the Twins organization and the sports-related questions represented only a small portion of a more general state survey. Therefore, the importance of the St. Cloud State survey results was only later realized in comparison with the other published public opinion polls.

The non-random "State Fair polls" come next in line. These appear lower on the credibility chain simply because they were non-random. Non-random means simply that the population polled was not sampled randomly from the entire population of interest. In this case, the sample population was made up only people who were attending the 1997 Minnesota State Fair and who were willing to stop to be interviewed. While this may still seem like a generally representative sample, there are characteristic of fairgoers willing to be interviewed (as there are characteristics of non-fairgoers or fairgoers unwilling to be interviewed) that may influence their responses to the Twins stadium issue. All segments of the population, fairgoers and non-fairgoers alike, must be represented in a sample in

order to get an accurate reading of public opinion. These polls are not completely dismissed because they focused primarily the general support question and they generated consistent results between them. Furthermore, their "unscientific" status was clearly stated when they were reported thereby acknowledging the limitations of the findings.

Polls sponsored by the special interest groups received the least amount of credibility. There were really only two strong special interest groups represented by the polls: The Indian Gaming Association, which sponsored only one published poll; and Minnesota Wins, which sponsored four published polls as part of an aggressive campaign to generate support for a new stadium. There are several pieces of evidence to suggest that the validity of the polls was problematic.

In a newspaper summary of some of the polling results, Minnesota Wins was described as a "pro-stadium advocacy group" (Pioneer Press 11/11/97). This was clearly an attempt to frame the legitimacy of the Minnesota Wins findings. A significant item from the polls themselves is the fact that the sample size of Wins surveys was up to 25% smaller than the samples gathered by the news organizations. The number of people polled is another facet of research that influences the representativeness of the sample. The more people that are surveyed, the more valid the results.

Finally, there is a remarkable piece of evidence that illustrates the questionable credibility of the special interest group surveys. This evidence is found in the one exception to what is otherwise relatively consistent polling results. In polls five and six from the list above, there is a contradiction of evidence that is striking. The Indian Gaming Association released polling results indicating that 71% of respondents <u>opposed</u> using gambling revenues to fund the new stadium. At the same time, Minnesota Wins released results that indicated 67% of respondents <u>supported</u> funding a new stadium with gambling revenues. Such contradiction brings into question the validity of each survey. They cannot both be accurate.

Both surveys were reported to have been conducted randomly and by respected polling agencies. The discrepancy is probably not in the way the polls were conducted but in the way the questions were phrased. These polls represent the concerns of two special interest groups and their results must be interpreted accordingly. Nancy Zingale, a political science professor and polling expert from the University of St. Thomas, spoke to this issue in a September, 1997, <u>Pioneer Press</u> article. She explained that people should be much more wary of public opinion sampling conducted by special interest groups compared to surveys sponsored by newspapers and television stations. "It doesn't mean they've cooked the numbers, but that they probably have phrased the questions and framed the issue in a way that's most supportive to their point of view" (<u>Pioneer Press</u> 9/30/97).

The use of leading questions was likely the case in the example involving the Minnesota Wins and Indian Gaming Association surveys. The Minnesota Wins poll asked respondents "Assume there would be no new taxes created and no state general revenues used to build an outdoor baseball stadium, would you support or oppose building a new outdoor baseball stadium if it were financed strictly by adding video lottery machines at the Canterbury Park racetrack?" In contrast, the Indian Gaming Association poll informed respondents of the numerous forms of gambling allowed in Minnesota (including lottery tickets, horse racing, pull-tabs, and casinos) before asking any questions. The respondents were then asked "Based on this information, which of the following do you feel the State Legislature should do with regards to gambling: expand gambling, reduce gambling, keep gambling at its current level, or other?" Both of these surveys illustrate how questions can be introduced and phrased to "prime" the audience for a desired response.

The Minnesota Wins question does two things. First, it focuses the respondent's attention on a specific funding option that appears to target an isolated population. This serves to draw attention away from the perception of taking money away from the general fund. The issue is also directed clearly and simply on <u>how</u> to finance the inevitable construction of the new stadium as opposed to leaving open the discussion of <u>whether</u> a new stadium is a good thing or not. Second, it frames the question by prefacing it with "assume there would be no new taxes created and no state general revenues used to build an outdoor baseball stadium." This is a concession to the overwhelming anti-public funding sentiment provided to preempt knee-jerk opposition by the respondent. It communicates to the respondent, "we are eliminating a large potential resource, so please understand that we need to find a realistic substitute." In effect, the question puts some pressure on the respondent to "be reasonable" in his or her assessment of viable options.

On the other hand, the Gaming Association framed its question to tap directly into the values of the respondent. Instead of targeting a specific gambling revenue option they framed the issue as a reflection of social conscience. Support for one answer meant the respondent supported the further encroachment of gambling in society and that it should be exploited to further satisfy the pleasure needs of the public. Expansion could also risk saturation of a market that the gaming association is regulated to control. Therefore support for gambling expansion could compromise the local economy. The question at issue is much different than that presented by the Minnesota Wins. Wins suggests we simply put a few slot machines out at Canterbury Park while the Indian Gaming Association cautions against the slippery slope of social and financial degradation.

This type of analysis could be conducted on all surveys and their questions. A certain amount of error is to be expected in survey research. This, however, is an important example representing the biases that must be taken into account when evaluating results and interpreting public opinion. These two organizations clearly

represent opposing agendas and their survey results should therefore by evaluated accordingly.

3. The Twins and team supporters failed to adequately address the problem of declining fan support and the strong anti-stadium sentiment. Recently Newsweek reported that 65% of Americans say they are not fans of baseball (Weiss, 1998). Possible reasons given for declining interest were the slow pace of the game, greedy players, and even greedier owners. Minnesotans simply represent one segment of a national population that has lost some of its enthusiasm for the American institution of baseball. Baseball has been steadily declining as America's favorite spectator sport throughout the last two decades. According to a Gallup Poll in April of 1997, only 14% of respondents chose baseball as their favorite spectator sport; placing it third after first-ranked football and second-ranked basketball. The poll in 1997 displays a 25% drop from 1948 when 39% of respondents chose first-ranked baseball as their favorite sport to watch.

Favorite Spectator Sport -Trend						
(reported in percentages)						
	<u>Football</u>	<u>Baseball</u>	<u>Basketball</u>	<u>Tennis</u>	<u>Golf</u>	
1948	17	39	10	800 m	<i>er en</i>	
1960	21	34	9		-	
1972	36	21	8	100 MM	-	
1981	38	16	9	600 TOT		
1990 (Feb)	35	16	15	3	2	
1992 (Sep)	38	16	12	5	3	
1994 (Aug)	35	21	11	2	3	
1994 (Sep)	37	16	13	3	3	
1995 (Apr)	32	16	13	2	4	
1997 (Apr)	30	14	17	2	5	

Although baseball does not need to be America's favorite spectator sport to claim that it has an important fan base, the Twins need to realize that the fan base is shrinking. In only three years, 6% fewer people claimed to be fans of professional baseball and in March 1996, 52% of those surveyed claimed that they were not fans of professional baseball (Gallup Poll Monthly, 1996).

Are you a fan of professional baseball or not? Pro Baseball Fan-Trend Somewhat Yes No 7 49 1993 Feb 44 39 10 51 1993 May 1994 Aug 39 10 51 1994 Sep 35 11 54

39

37

1994 Oct

1995 Jan

52

55

9

8

1995 Feb	37	12	51
1995 Apr	32	9	59
1995 May	35	10	55
1995 Jul	35	13	52
1995 Oct	34	8	58
1996 Mar	38	10	52

The baseball strike clearly had a negative effect on attitudes toward baseball. In an April 1995 Gallup Poll, 69% claimed that they were less interested in following major league baseball than they have been in the past, even compared to just one year previous. Respondents were also asked how they felt about professional baseball: relieved, disgusted, angry, enthusiastic; 58% said they were disgusted and 38% said they were angry. Only 30% of respondents said that they were enthusiastic. In addition, 39% said that they were fed up and did not care about the new season.

This increasingly negative attitude has affected attendance at Major League Baseball games. Of those surveyed, 55% did not attend any games in 1994 and 59% were not planning to attend any in 1995. Plus, 48% stated that they plan to watch less major league baseball on television.

The declining interest in the sport of baseball nationwide is reflected in the public attitude concerning the Minnesota Twins situation. In fact, results from the polls during the Twins' campaign show that there was a general opposition to any construction of a new Twins baseball stadium regardless of the source of funding. Polls by Minnesota Wins in September, 1997 and November, 1997 showed a 59% opposition to the construction of a new baseball stadium. A <u>Pioneer Press</u>, KARE-TV, and MPR poll conducted October, 1997 showed 59% of Minnesota voters did not think it was important for the state legislature to come up with a plan to help build a new stadium even if it meant the Twins would leave Minnesota. This issue was consistently discarded in the polling and in the campaign. Instead, numerous funding options were pushed and coverage was focused on their progress and the potential legislative election fallout. Minnesota Wins surveys went as far as to pose this question: "Regardless of your position on the new stadium, please tell me for each one [on a list of potential funding sources] whether you would strongly favor it, somewhat favor it, somewhat oppose it, or strongly oppose it as a funding source for a new stadium." In actuality, all of the funding proposals should have been moot because the public never felt a compelling need for a new stadium.

It is clear that the Twins organizations set aside the anti-stadium sentiment and concentrated on promoting various funding proposals with the state legislature. The legislature is a governing body designed to act in the people's interest, but they are, in the end, a relatively small group of individuals making collective decisions. The outcome of the 1997 campaign indicates that this strategy failed. The pro-Twins organizations who were generating the funding proposals underestimated the public's willingness to assume that a new stadium was inevitable. The pro-Twins

organizations did not worry about <u>whether</u> the public wanted a new stadium but rather <u>how</u> the public would be willing to pay for it. To reiterate a point made in the conclusion of the previous chapter, given current public opinion the Twins may be better served by exploring seriously the option of seeking <u>private</u> funding for a new stadium.

Chapter Five: Competing Narratives in Newspaper Coverage

Introduction

News is not a mirror of "reality." Although journalists and news organizations make an effort to publish news that is fair and balanced, nonetheless reporters always have to make a choice about how to "frame" a news story. Journalists must choose to focus on certain aspects of an event and less on others. They choose to interview and quote certain people, and choose to discuss events in certain contexts. In this sense, even the most unbiased and balanced journalists narrate a story when they construct news reports—a story with certain characters, plots, and values that are always a choice.

This storytelling, or <u>narrative</u>, aspect of journalism does not indicate that journalists are biased or unprofessional. Rather, it is an unavoidable part of communication; communicators have no alternative but to make choices as they construct messages. Citizens will be better equipped as news consumers if we look at news not as a mirror of the day's events, but rather if we consider the narrative choices made by different journalists and news organizations. In this way, we can evaluate the choices made throughout the narrative and decide if we feel the story was framed in a way we feel is fair and reflects our own values.

To demonstrate the degree to which journalists and news organizations are storytellers as well as reporters, we only need to look at how the coverage of the same issue differs in different news sources and sometimes at different times within an individual news source. In this chapter, we will compare and contrast news coverage of the stadium issue in the two major Twin Cities daily newspapers—the Minneapolis <u>Star Tribune</u> and the St. Paul <u>Pioneer Press</u>.¹ We analyzed articles in the <u>Star Tribune</u> and <u>Pioneer Press</u> between September 5, 1996 and November 20, 1997. Our analysis is divided into two time periods. Period 1 includes September 1996 to May 1997—a period that includes the 1997 regular legislative session. Period 2 includes June 1997 to November 1997—which includes the special 1997 legislative session called by Governor Arne Carlson, the grassroots movement against public funding of the stadium, and the Minneapolis election in which voters accept a referendum that requires voter approval on sports facilities expenditures over \$10 million. In addition, we also looked at the narrative of the stadium issue in <u>City Pages</u>, a weekly alternative Twin Cities newspaper.

¹ The <u>Star Tribune</u> is published seven days a week out of downtown Minneapolis, Minnesota by the Star Tribune Company, a subsidiary of the McClatchy Company since early 1998. The paper was founded nearly 130 years ago by the Cowles family in Minneapolis and has flourished with a daily circulation of over 386,000 and a Sunday circulation of over 600,000 papers. The <u>Star Tribune</u> is marketed to the entire Twin Cities region as well as to outstate Minnesota. The <u>Pioneer Press</u> is published daily in downtown St. Paul, Minnesota. The paper began in 1892 and was purchased by Ridder, Incorporated, a local company, in 1927. In 1974, the paper merged with Knight Publishing. Its current circulation rate is nearly 200,000 papers daily and well over 250,000 on Sundays.

We argue that in the early months of the stadium issue, both major newspapers framed the stadium issue primarily as a story about a <u>business deal</u>. The discussion centered on how the business deal ought to take place, not on whether the deal should take place. At first, the Pioneer Press was far more critical of the business deal than the Star Tribune. However, towards the end of this time period, after the Pioneer Press reported team owner Carl Pohlad's "contribution" to the new stadium was actually only a loan, the Star Tribune became more critical of the business deal and especially of the Pohlads. After the grassroots movement became active and public opinion becomes clearly and visibly opposed to the stadium effort, both newspapers shift their frames. Instead of framing the stadium issue as a business deal, both newspapers framed the issue primarily as an issue of community priorities. The discussion centered on whether the stadium deal should take place. Although the <u>Star Tribune</u> retained a resolutely pro-stadium editorial stance, both papers provided news coverage that took the public's involvement in the issue seriously and empowered everyday citizens to get involved.

In our analysis, we perform what Purdue University communication scholar Larry David Smith (1990) calls a "narrative synthesis." Narrative synthesis is a method of examining a related group of accounts or speeches to describe how these accounts or speeches function together to tell a story. To perform a narrative synthesis, one needs to identify the main <u>characters</u> of the story, the story's <u>plot</u>, and the implicit <u>values</u> that the story reinforces. In this chapter, we perform narrative syntheses on the coverage of the stadium issue in the <u>Star Tribune</u>, <u>Pioneer Press</u>, and <u>City Pages</u>. We compare the different choices the newspapers made in deciding who to frame as the main characters, what the plot of the stadium "story" would be, and what values to reflect within the narrative.

In looking at the newspapers' different narrative choices, we also examine the different ways that the newspapers envision and construct their audiences. An "implied" audience is similar to the concept of a target audience. An author always writes with a certain kind of audience member in mind. Many factors may be affected by the author's perception of who the audience is or should be, including the choice of language that is appropriate, the right tone, and the relevant values.

The narratives told by different authors change when the implied audience changes. For example, an advertisement for a new drug that appears in a medical magazine will be written in academic language with a serious tone. The implied audience of this ad is a well-educated doctor who has the power to prescribe the drug. An advertisement for the same drug that appears in a popular magazine will be written in simpler language with a more casual tone. Its implied audience is a consumer who can choose to purchase the drug. A third ad for this drug that appears in a pharmaceutical magazine focuses on the profitability aspects of the drug and is written in business language. Its implied audience is a pharmacist who can market the drug. The stories told by all three of these advertisements will reflect similar values. They will all reflect positively on the value of medical technology, consumerism, and the popular use of prescription drugs to treat physical maladies.

What kind of implied audiences do news articles construct? Consider an ongoing news story about a labor strike at a major company. Perhaps one newspaper's narrative of the strike will focus mostly on management. The main characters of their narrative will be the powerful people in the company, who will be the subject of articles and interviews, and the plot will revolve around management's efforts to end the strike and restore order in their company. This narrative reflects probusiness values, and the implied audience of this narrative is a person who values management over labor. A second newspaper might construct a different narrative of the strike. The main characters will be the striking workers, and the plot will revolve around the workers' fight for better working conditions and pay. This narrative reflects pro-labor values, and the implied audience of this narrative is a person who values labor over management.

Period 1: September 1996 through May 1997

As the <u>Star Tribune</u> and the <u>Pioneer Press</u> began their narrative of the stadium coverage, both newspapers initially framed the stadium issue as a business deal. Business interests were focused upon extensively, while implications of the proposed business deal upon the community received considerably less attention. Both papers focussed much discussion on the advantages and disadvantages of different possible strategies to fund the stadium, such as a cigarette tax, slot machines at Canterbury Downs, and partial community ownership of the Twins. The papers focussed on how, not whether, the stadium should receive public funding.

The main characters of the narrative are the individuals and organizations with business interests in the stadium issue, especially the Twins, the Pohlads, and Minnesota Wins. The legislature and the public are only supporting characters, and their interests are secondary. The action of plot revolves largely around the business interests' efforts to persuade the public and the legislature to support funding for a new stadium. Thus, the public usually is portrayed as a <u>passive</u> character, the passive object of the business interests' active persuasive campaign. In narrative terms, the public's role might be described as akin to the traditional feminine love interest, whose own interests and motives are downplayed. The legislature plays a more active role than the public, and functions as the traditionally paternal figure that protects the public. The legislature's role is to determine whether or not the public will be well served through a union with the business interests.

Throughout most of the first time period, the <u>Star Tribune</u> discussed the business deal at length and usually not very critically. This is demonstrated in Jay Weiner's September 15, 1996 article, "Push for New Stadium has Created Unlikely Pitching

Staff," published along with a "question and answer" summary of the newly introduced stadium issue. The article focuses on Minnesota Wins, the Twins, and the new campaign for a stadium that has forged unlikely alliances, primarily between business people and pro-stadium legislators. The article spells out in detail the strategies of Minnesota Wins to persuade Minnesotans that a new stadium is necessary and desirable.

The protagonists of this article clearly are the business interests, and the public is discussed as a homogenous aggregate that must be won over. The article opens at a Twins game, where a nameless group of fans receive postcards at the game from Minnesota Wins about the pro-stadium position. The public, whom polls say is "decidedly against public financing for what the Twins seek: a \$300 million retractable-dome ballpark, signed, sealed and delivered by the 1997 legislature" is discussed only as an obstacle to the goals of the business interests.

The article, which focuses upon the Minnesota Wins campaign, offers virtually no information or insight into <u>why</u> members of the public might be resistant to a publicly-funded stadium. In the question and answer piece that accompanies the September 15th article, one short paragraph offers an opposing position: "Critics say public finance for stadiums siphons public money away from more pressing matters, such as schools, crime prevention and more grassroots urban redevelopment. Besides, the Dome was built with the public's backing and it's only 14 years old." Aside from this, the public is given no voice or agency; the public's role in the narrative is to be overcome by the protagonists (business interests).

When the public is discussed in this period of the narrative, often they are discussed as a business investor who has been given the opportunity to invest millions of tax dollars in the Twins and the new stadium. One typical article that characterizes the public as a business interest is Jay Weiner's March 3, 1997 article, "The Twins Deal: What's in it for Us?" The article discusses the stadium issue entirely as an investment while not discussing the public as a community concerned with priorities and principles. The article reads like a stock speculation report, filled with dollar amounts and speculation of how much the public-as-business entity might stand to gain or lose in the long term by investing in the Twins:

> If a Twins ballpark survives the treacherous political process and somehow is approved by the legislature this spring, it still won't be a "done" deal. It will be the beginning of a business relationship that could reach a crescendo in 2006 or beyond. That's when the state of Minnesota may be asked—and if asked would be obligated—to buy the entire team for \$105 million. That's when the state, through a new baseball authority, could make millions or suffer the consequences of being a partner in what could be a declining industry. The difference in how the state fares depends on what the team is worth in 2006, when the deal allows team owner Carl Pohlad, or his heirs, to get out of the baseball business.

Within the logic of the public-as-investor narrative, public funding for a stadium is seen as positive if this "investment" in the Twins makes money in the future, and a negative thing if the investment in the Twins loses money. When the <u>Star Tribune</u> narrative offers skepticism as to whether the stadium deal will benefit the public, this skepticism often comes in the form of questioning the stadium as a solid investment—as opposed to questioning the stadium as a community priority. This is exemplified by Terry Fielder's January 10, 1997, article, "Deal is good for Pohlad's taxes, but what about the public?" Readers, hailed here as an implied audience of investors, are warned that "successful, long-term investment in a publicly held sports team is as rare as a triple play," and the financial risks to the public-as-business interest.

At the beginning of this period of the <u>Star Tribune</u>'s narrative, when opposition to the stadium is discussed, it is usually in the person of state Senator John Marty, an early and active opponent of the issue who quickly is framed by the <u>Star Tribune</u> as the antagonist of the narrative. On September 30, 1996, Marty offers one of the first voices in the narrative that questions the stadium deal:

Minnesota property taxes are too high. Funding for schools is being cut by \$73 per student next year. This is the wrong time to make taxpayers subsidize a new stadium for the owners of the Minnesota Twins. Although the proponents of a taxpayer subsidy refuse to disclose until after the election whether they expect taxpayers to pay \$300 million, \$200 million, or "only" \$100 million, it is not premature to say a massive public subsidy is wrong. I'm a Twins fan. I like outdoor baseball and would like an outdoor stadium. My only objection—and it's a strong one—is to having taxpayers foot the bill.

At this point in the narrative, opposition to the stadium issue is framed almost exclusively in the form of Marty-as-antagonist, while virtually no information is given about other groups or individuals who oppose the stadium. The reader is given two positions to choose from: the pro-stadium protagonists, who include the Twins, Minnesota Wins, Governor Carlson, Minneapolis Mayor Sharon Sayles Belton, and various business persons and legislators; or the anti-stadium antagonist John Marty, who appears here to be an isolated antagonist to a position popular among the state's elite. In addition, many Minnesotans no doubt recall that Marty was defeated heartily in the last gubernatorial election by Arne Carlson and is regarded by many as a non-mainstream liberal. Thus, in the early months of the narrative, support for a new stadium is framed as a mainstream choice, while opposition is framed as non-mainstream.

However, as the narrative progresses, the <u>Star Tribune</u> becomes somewhat more critical of the business deal, and begins to frame the issue at times as a community issue as opposed to simply a business deal. Most notably, on the front page of the January 26, 1997 Sunday paper—which is Superbowl Sunday—Jay Weiner frames

the stadium debate squarely as a community issue in an article entitled "Sports worship: Stadium debate shakes up priorities." The article critically analyzes the role of sports in U.S. culture, and unlike much of the <u>Star Tribune</u>'s earlier news coverage, it questions whether the stadium should be a priority, as opposed to how to accomplish the goal of building a new stadium. The article begins:

If pro sports is the religion of our time, as some have called it, today would be its most sacred holiday, a day when the money, drama and hype of men playing a game overshadow other aspects of society. As Minnesota debates whether to build another sports temple, some ask: Does sports occupy too prominent a place in our culture? Are our values misplaced when baseball players are paid 30 times as much as teachers?... We are about to make a decision that will determine our own level of sports worship: Do we build a new stadium for the Minnesota Twins? There is a push to spend at least \$200 million in tax money to fund the ballpark and ensure the health of Carl Pohlad's team. The ballpark campaign has triggered a deeper wondering: What are our priorities?

Towards the end of this first time period, the <u>Star Tribune</u> becomes especially critical of team owner Carl Pohlad. When Pohlad initially "offered" \$158 million towards a new stadium, a January 10, 1997 <u>Star Tribune</u> editorial calls the offer "stunning" and fawns, "No longer can it be plausibly argued that Pohlad wants the public to buy him a fancy new ballpark so he can get richer than he already is." However, after it is revealed that the offer is actually a loan, the <u>Star Tribune</u> frames Pohlad much more critically. The Sunday, April 20, 1997, front page was splashed with a huge article simply titled, "Dealing With Carl Pohlad." Decades of the billionaire businessman's "long record of controversy" are scrutinized, including "claims of dishonesty and deception, intercorporate looting, conspiring to fix interest rates, fraud and placing private gain above the public's interest while running the Twin Cities' publicly regulated bus company." At this point, the focus is no longer on saving our hometown ballclub, but a contest between the wealthy and controversial businessperson Carl Pohlad and the liberal, civic-minded John Marty.

Thus, the <u>Star Tribune's</u> fairly uncritical analysis of the business deal shifts as the narrative progresses. The <u>Pioneer Press</u> also initially framed the stadium issue more as a business deal than an issue of community priorities, and more often discussed how the stadium would be funded than whether it should be built at all. Similar to the <u>Star Tribune</u>, the public was portrayed fairly passively as the subject of the persuasive campaign of the business interests. More so than the <u>Star Tribune</u>, the <u>Pioneer Press</u> placed a good deal of emphasis upon the role of the legislature as benevolent protector the public. However, from the beginning of the <u>Pioneer Press</u> narrative, the St. Paul paper was more critical of the business interests and the possible negative repercussions of the deal upon the public than is the <u>Star Tribune</u>. In this sense, the <u>Pioneer Press</u> implies a more active public by offering more critical analysis of the business deal for the public to consider.

An example of the <u>Pioneer Press</u>' critical reporting of the business deal is Jim McCartney's September 24, 1996 article about Minnesota Wins' persuasive campaign. Unlike the <u>Star Tribune</u>'s September 15, 1996 article on Minnesota Wins, discussed above, McCartney's article implied a sense of suspicion about Minnesota Wins, especially in regards to of the organization's hesitation in making its donor list of twenty corporations public. The first line reads, "Like many baseball managers, Bob Dayton, the chairman of Minnesota Wins, prefers to keep his lineup card clutched tight to his breast." This contrasts to the first line of Weiner's article, which cheerfully reads, "In the second inning, as temperatures dropped outside Friday night, the Twins heated up the Metrodome with a good, old-fashioned rally." Unlike Weiner's article, which is uncritical of Minnesota Wins, McCartney's article implies that Minnesota Wins is not a completely candid organization.

The <u>Pioneer Press</u> also is critical of Governor Carlson's support of the stadium campaign. Unlike the <u>Star Tribune</u>, Governor Carlson quickly became a main character in the <u>Pioneer Press</u>' narrative, and remained so throughout the entire narrative. In a September 7, 1996 article, Patrick Sweeney highlights Carlson's support for the stadium and his role in the alliance: "In a St. Paul office suite that last housed Governor Arne Carlson's re-election campaign, Carlson's former campaign manager now is running a \$2 million effort aimed at persuading legislators to build a new stadium for the Minnesota Twins." In an early article about Carlson's efforts to locate a suitable stadium site along the Mississippi waterfront in downtown Minneapolis, the somewhat sarcastic headline reads, "Carlson Goes Fishing for Stadium on the Riverfront." The <u>Pioneer Press</u> also is critical of the role of the City of Minneapolis, and implies that Minneapolis officials are irrational as they consider the destruction of successful downtown businesses such as the Theatre de la Jeune Lune for potential stadium sites.

While both newspapers discussed the stadium issue as a business venture during the first time period, the <u>Pioneer Press</u> initially discussed the stadium more in terms of potential community profitability than in terms of business profitability. Unlike the <u>Star Tribune</u>, the <u>Pioneer Press</u> focussed very little on the Pohlads and Minnesota Wins initially, and instead opens its narrative with discussions on how the stadium could benefit the Twin Cities and the state. As the narrative progressed, the <u>Pioneer Press</u> quickly began to question the degree to which the stadium would benefit the community, while noting that business interests had quite a bit to gain from the deal. In a November 24, 1996 editorial, the <u>Pioneer Press</u> contextualizes the stadium debate within the larger economic issues of professional baseball; they argue, "The Minnesota Twins' push for a new outdoor or retractable-roof stadium is not about the aesthetics of outdoor baseball on natural grass vs. indoor baseball on artificial turf The push for a new stadium is about making more money, and the shifting economics of baseball."

Similar to the <u>Star Tribune</u>, the <u>Pioneer Press</u> is increasingly critical of Pohlad throughout the first time period. At first it was sympathetic to Pohlad, as displayed

by a February 2, 1997 article, "Pohlad: It's about More than Money." Here Pohlad is portrayed as a likable and sympathetic baseball fan:

Carl Pohlad arrived home around midnight after a day-long negotiating session and shook his wife, Eloise, awake. He told her the news: He had just purchased the Minnesota Twins baseball team. "Are you crazy?" she asked, still groggy, as TV camera crews streamed up the driveway to their Edina home. He didn't think he was then, nor did he feel the \$37 million investment was a mistake as he basked in the glory of two World Series victories over the next 12 years.

However, similar to the <u>Star Tribune</u>, this fairly positive coverage of Pohlad shifts quickly after it is reported that Pohlad's donation is only a loan. On February 25, 1997 the <u>Pioneer Press</u> reports that Pohlad's \$15 million "cash contribution" actually is "only a loan and that the state could be on the hook for team operating losses and the Pohlads' heavy interest payments on team debt."

Thus, in the first time period, the Star Tribune and the Pioneer Press told somewhat different stories about the stadium issue. Although both newspapers overall framed the story as a business deal as opposed to an issue of community priorities, the implied audiences of the two newspapers was different. Because of the Star Tribune's relative lack of critical reporting about the stadium issue— especially in the earliest months of the narrative-the narrative implies an audience not of everyday citizens concerned with community priorities and the use of their tax dollars, but rather an audience of middle-to-upper class citizens who are concerned largely with business issues. By framing the public primarily as just another business investor in the stadium deal, the Star Tribune implies the audience members are accustomed to thinking in terms of business investments as opposed to community priorities. By creating an implied audience that excludes less affluent citizens who are not accustomed to thinking about the community in terms of business deals, the Star Tribune failed to encourage everyday citizens to get involved in the stadium issue. As the Star Tribune's coverage became somewhat more critical in the later months of this time period, the implied audience became more diverse. Articles such as the Superbowl Sunday front-page article that asks critical questions about the role of sports in American culture implies an audience that is concerned with the complexities of community issues, and does encourage everyday citizens to think critically about the stadium issue and get involved. The <u>Pioneer Press</u>' implied audience, from the start, was a more critical audience than the Star Tribune, and was filled with everyday citizens who are not necessarily affluent.

Period 2: June 1997 through November 1997

During the second time period, both newspapers shift their framing of the stadium issue. The newspapers no longer tell a story about a business deal. Rather, both newspapers now tell a story about a community issue. The newspapers shifted

from articles about <u>how</u> the stadium should be funded to <u>whether</u> the stadium should receive funding at all. Many articles, columns, and a staggering volume of letters to the editor focus on the question of whether funding for a stadium should be a priority before funding of needs such as schools, parks, affordable housing, and public transportation. As the grassroots movement grew and public opinion more visibly established itself as opposed to the public funding of a new stadium, both newspapers took the public's criticisms seriously, and focussed heavily on reasons why citizens were resistant to public funding of a stadium.

In both narratives at this time, the public ceased to be a passive character. During the first time period, the narrative focused largely around the plot of the business interests working to persuade the public to support a publicly funded stadium, while the legislature was characterized as a paternal body who controls the public's fate. In this second time period, the plot revolved around the public and the business interests as antagonists. Both the public and the business interests became main characters. The public no longer was dependent upon the legislature to serve its interests; citizens took the issue into their own hands and demanded that the business interests not take advantage of them.

Furthermore, while the <u>Star Tribune</u> initially framed the anti-stadium position as non-mainstream and personified by the fairly unpopular liberal state senator Marty, in this second time period both newspapers framed the anti-stadium position as moderate, mainstream, and popular. Both newspapers frequently published public opinion polls that reported widespread resistance to a publicly-funded stadium. They also publish voices representing an array of political perspectives that spoke out against the stadium within news articles, columns, and letters to the editor.

Certainly, both papers also published voices of stadium supporters as well, including many pro-stadium letters to the editor. However, these voices were outnumbered in the pages of both papers by anti-stadium voices, who collectively declared the anti-stadium position not only as legitimate and mainstream, but popular as well. Many articles emphasized that stadium backers are outnumbered, such as an October 24, 1997 <u>Star Tribune</u> article entitled "The stadium debate: Stadium opponents outnumber backers at Capitol rallies," as well as reports in both papers that less than 100 fans attended a pro-stadium rally in outstate Willmar, Minnesota, despite heavy publicity by Minnesota Wins and celebrity appearances by Kirby Puckett and Wally the Beer Man.

The implied audience of both newspapers during this second time period was an active public filled with everyday citizens who were concerned with community priorities and the use of their tax dollars. The newspapers created this implied audience by taking both the public and the grassroots movement seriously. For example, the <u>Star Tribune</u> began its coverage of the petition drive with an extensive July 23, 1997 article by Jay Weiner that portrayed Progressive Minnesota and the petition drive as mainstream and positive, and spelled out the anti-stadium

position in detail. In the article, petitioners were interviewed as they solicited signatures on a sunny summer day in the trendy Uptown neighborhood of Minneapolis:

For most of those who stopped, listened and held the clipboard in their hands, there was, eventually, a signature on the petition. "I'd vote for the stadium if there was money for Minneapolis kids, too," said Rochelle Flowers, 45, an art teacher. "The way they do it, though, these owners are like babies. They're holding a tantrum to get their stadium." Progressive Minnesota. . . is questioning the "misplaced priorities" of a city that could spend more than \$50 million to clear and prepare land for a Twins stadium while other pressing city matters—such as schools and flooded homes—are underfunded.

Although the <u>Star Tribune</u> provided less coverage than the <u>Pioneer Press</u> about Progressive Minnesota and about the individuals involved in the movement such as the Reverend Ricky Rask, its coverage of the petition drive and public opinion was steady and detailed throughout the entire time period, and the public was framed as a entity that is to be taken seriously. On November 13, 1997, for example, Robert Whereatt and Jay Weiner reported that citizens were jamming switchboards at the capitol to voice their opinions on the legislators' stadium votes; most votes were against the stadium. This portrayal of a "massive exercise in participatory democracy" is hardly a portrayal of a passive public that quietly depends upon the legislature to decide the fate of the stadium:

> In a massive exercise in participatory democracy, tens of thousands of Minnesotans jammed Capitol phone lines Wednesday to advise legislators how they should vote today when they decide—perhaps, finally—the fate of a new Twins stadium. The unprecedented volume was so great—more than 150,000 calls—that at times there was telephone gridlock. Calls could not go into or out of legislative offices. "I had to go to a pay phone to call out," said Rep. Henry Kalis. . . The calls, 17 times the normal telephone traffic between 8 a.m. and 3 p.m., jammed the system.

The <u>Pioneer Press</u> also provided detailed coverage of public opinion, and provided even more detailed coverage of the grassroots movement than the <u>Star Tribune</u>. Reverend Ricky Rask was the feature of one article and is dubbed a "vocal antistadium crusader who is passionate about her priorities" (10/29/97). On October 24, 1997, an article by Maria Douglas Reeve and Patrick Sweeney provided a detailed and positive portrayal of a rally at the Capitol in which both sides of the issue voiced opinions, but anti-stadium voices were more pervasive:

> They represented a variety of interests—the Welfare Rights Committee, a group promoting awareness of domestic violence, a coalition of churches from the Iron Range, a group concerned about housing for disabled and

mentally ill people. It looked as if they outnumbered those who came to support the Twins in their quest for a new stadium. Protesters lined the halls, forcing legislators to run the gauntlet and read their signs—``Children Can't Eat Baseballs" and ``In Some Homes, Everyday is Bat(tering) Day." It seems—at least for now—to be working.

Both newspapers also created an implied audience of active citizens by offering the public detailed news coverage that contextualized the stadium issue within larger issues such as the billion-dollar economics of the sports industry and other economic inequalities of U.S. culture. For example, on the front page of the August 17, 1997 Sunday paper, Jay Weiner discussed the stadium issue in relation to rising sports salaries such as the Minnesota Timberwolves star player Kevin Garnett's recent refusal of a \$103.5 million contract. Weiner asked, "After a week of stunning sports salary developments, one question gnaws at Minnesota's relationship to pro sports: Are we at a dead end, poised to become the first community to shout, "We're mad as hell and we're not going to build any more?" After the special legislative session failed to pass stadium funding, on November 16, 1997 the paper featured a Sunday front-page article entitled, "In stadium battle, citizen lobby showed its muscle." Dane Smith provided detailed analysis of how opposition to public funding resonated with both right-wing and left-wing philosophies to create a remarkably successful grassroots movement. The **Pioneer Press** offered similarly well-contextualized news coverage. In an economic feature on October 22, 1997, entitled simply, "What does \$250 million buy?" the authors contextualized the value of the proposed \$250 million proposed for the stadium, including operating the Minnesota State Parks system for the next 11 years, building over 4,000 new rental units for low- and moderate-income families, and providing a \$5,555 postsecondary education scholarship for 45,000 students, the number in the St. Paul public school system.

Both papers also remained critical of the business interests, especially Pohlad, whose wealth received quite a bit of attention. For example, a June 11, 1997 <u>Pioneer Press</u> article discussed Pohlad's lucrative meeting with baseball owners:

Armed with a summary of the Minnesota Twins' real, and projected, financial losses in the Metrodome, team owner Carl Pohlad sought approval Tuesday from his fellow baseball owners to begin trying to sell or move the team. Pohlad's presentation to the owners at a posh—\$190 a night—Philadelphia hotel came a day after Minnesota Governor Arne Carlson said he will call legislators into special session in September to consider the Twins' request of a state subsidy of a new stadium.

The Pohlads were given a chance to defend themselves in the <u>Star Tribune</u> on October 5, 1997, in two articles entitled "Pohlad tackles issue of his wealth" and "Pohlads tell Their Side of the Story." The Pohlads defended their decision to leave Minnesota if a new stadium is not built because they were losing money, and turn

anti-stadium community priority arguments on their heads by accusing the public of failing to adequately prioritize baseball:

How much do Minnesotans value major league baseball? That's the question citizens and their legislators have to decide in the next eight weeks, the Pohlad family said Saturday. As Twins owner Carl Pohlad explained his tentative sale of the team to North Carolina businessman Don Beaver, Bob Pohlad, the owner's son, summarized the family's feelings on the issue: "One of the possibilities in this whole process is that maybe what the people of Minnesota are telling themselves and us is that baseball isn't that important," he said at a news conference at the Metrodome. "And that's what we're forced to prepare ourselves for. That's the decision that it's now time to make. And it's a huge one."

On the one hand, these articles might be interpreted as pro-stadium. They gave the Pohlads an opportunity to voice their opinion in great detail. There was no equivalent article in the <u>Star Tribune</u> that allowed a grassroots leader such as Ricky Rask to voice her opinion in such detail. On the other hand, in the current anti-stadium climate of public opinion, these articles might also be interpreted as the rope the Pohlads needed to hang themselves. Blaming the public for rejecting baseball was not necessarily the wisest public relations move on Pohlad's part.

Thus, the <u>Pioneer Press</u> and the <u>Star Tribune</u> both provide well-contextualized, critical news coverage that took the grassroots movement and public opinion seriously. The implied audience of the news coverage was a public filled with active everyday citizens. However, the <u>Star Tribune</u>'s news coverage of the stadium issue was complicated by its official editorial policy on the stadium issue, which is surprising considering its news coverage: the <u>Star Tribune</u>'s editorial policy is adamantly pro-stadium.

During this time period, the <u>Star Tribune</u> produced a number of outspoken editorials against the stadium referendum and for public funding of the stadium. These editorials did not ignore the strong public opinion against the stadium that was so diligently reported on the pages of the newspaper. Rather, these editorials bluntly stated that the public movement against the stadium was a disturbing phenomenon, and that legislatures must do the right thing and vote for a stadium, even though the public opposed it.

Most notable of these editorials is the October 27,1997 editorial entitled, "On stadium, legislators must become leaders." In this extraordinary editorial, the <u>Star Tribune</u> directly called upon the legislators to "refine and enlarge the public views" and persuade the public to support the stadium effort. The <u>Star Tribune</u> ungracefully ignores the public's rejection. Instead, the <u>Star Tribune</u> appeals to the legislature to intervene paternally, declaring that the public does not clearly understand what is in its own best interests. The editorial began

In this fall of baseball discontent, Minnesotans are caught in what James Madison, writing in Federalist 10, called a "common passion"—they are commonly and passionately against building a new stadium for the Minnesota Twins. Were this a town-hall democracy, Minnesota would reject a stadium scheme that involved public spending of any kind. The people have more than spoken; they've fairly shouted "No," in percentages rising now into the 60s. But as frequently happens when passion gets involved, the people may be mistaken. It is the responsibility of the Minnesota legislature, as it meets today in special session, to "refine and enlarge the public views," in Madison's words, in order to calculate the best interest of the state. The legislature must act to ensure that interest is not sacrificed to "temporary or partial considerations." In short, the legislature must truly lead.

These editorials can be interpreted in several ways. On the one hand, they contradicted most of the <u>Star Tribune</u>'s own news coverage of the stadium that characterized the public as an active entity to be taken seriously. The news coverage implied an active audience filled with everyday people. Yet this editorial implied that the public ought not be so active. The implied audience of the <u>Star Tribune</u>'s pro-stadium editorials was not the same implied audience as the rest of the <u>Star Tribune</u>'s news coverage. This implied audience consisted of an elite group of powerful legislators and business persons. Thus, these editorials detracted from the newspaper's characterization of an active public.

On the other hand, although the contradictions in these editorials cannot be disregarded, they also need to be read within the Star Tribune's narrative of the stadium issue as a whole. The editorials provided a strong pro-stadium voice, but the news coverage as a whole offered an array of voices that are anti-stadium as well. Despite the paper's official editorial position, the <u>Star Tribune</u> offered a wide variety of anti-stadium columns and opinions pieces. Most prevalent were the regular anti-stadium columns of Metro section columnist Doug Grow, who criticized Governor Carlson for pressuring legislators to support the stadium and celebrated the grassroots movement in columns such as his October 22, 1997 "Little guys may have beaten Goliath in stadium debate: Though outmuscled, outspent and overworked, those opposed to public financing look strong." On October 9, 1997, Op-ed columnist Kristine Holmgren wrote, "Today, Minnesotans have little interest in watching a losing team struggle before a drunken crowd in a near-empty stadium. Most of us have better places to put our cash." Prominent conservative Allen Quist adds his voice on October 14, 1997 with, 'Why be at mercy of big business baseball?" Radio commentator Dale Connelly writes several humorous anti-stadium columns, including a June 12, 1997 piece in which he sarcastically suggested that children ought to build the stadium, since an education bill has just been vetoed in a state that is considering public funding for a stadium:

The Twins will get the emergency attention they need: students may have to wait for education reform and funding. Why not combine these problems, tank the special session, and set aside this September to have our children build the stadium? It's not so far-fetched. They'd learn science, architecture, math, history, labor relations, physics, law, and the theory of work. They'd get a great self-esteem boost from building the stadium. . . Children as young as kindergarten age could have a great time mixing up small batches of mortar in 5-gallon buckets. Give them some Goop, a hose and trowel, and they're happy.

Thus, although the <u>Star Tribune</u>'s stadium editorials did not enact an implied audience of active, everyday citizens, overall the paper's news coverage and opinion pieces did create this active implied audience, which is very similar to the implied audience of the <u>Pioneer Press</u>. In the final section of this article, we will look at a third narrative of the stadium issue, that of the <u>City Pages</u>.

The City Pages: An Alternative Narrative

<u>City Pages</u> is a free weekly newspaper that prides itself on being "alternative"—that is, a source of information that breaks from the more mainstream coverage of the <u>Star Tribune</u> and the <u>Pioneer Press</u> and offers less known viewpoints. As such, <u>City</u> <u>Pages</u>'s coverage of the Twins stadium crisis was markedly different from those of the <u>Star Tribune</u> and the <u>Pioneer Press</u>. Quantitatively, there are simply fewer stories on the topic, due to <u>City Pages's</u> weekly status. Not only does a weekly paper have less story space, but <u>City Pages</u> assumes that readers would get their basic information about the stadium issue from other news sources. As a result, <u>City</u> <u>Pages</u> stories tend to be a few in-depth analyses rather than many brief reports on breaking news.

The paper's weekly and alternative status has a dramatic effect on the way the stadium issue is addressed, due to its "outsider" status. <u>City Pages presents itself</u> during the stadium crisis as a hard-hitting paper that covered the stories and said the things that the other metropolitan papers-especially the Star Tribune-dare not say. <u>City Pages</u> was very critical of the <u>Star Tribune</u> and four of the stories in City Pages accused the Star Tribune of being uncritical and argued that the Star Tribune tried to influence events with its coverage. "Selling Blue Sky" (12/18/96) implies that Cowles Media (then the owner of the Star Tribune) may have a conflict of interest in the issue because it owns land where a new stadium may have been built. "Home Field Advantage" (4/2/97) examined the reasons why the Star <u>Tribune</u> was "cheerleading for a taxpayer-financed ballpark," arguing that major newspapers and sports teams have a symbiotic relationship—the more sports there are in town, the more sports news there is and the more valuable advertising space. "North Carolina Triplets?" (10/8/97) briefly discussed the Star Tribune's lack of critical coverage of the potential deal with Don Beaver. And "Jock Itch" (11/12/97) looked at the various sports columnists at the <u>Star Tribune</u>, concluding that "sports columnists won't bite the hand that feeds them."

All these stories have a cynical tone and a critical attitude toward the <u>Star Tribune</u>. The phrases used to describe the coverage of the issue implied that the <u>Star</u> <u>Tribune's coverage was unfair and self-serving</u>, and the overall picture of the <u>Star</u> <u>Tribune</u> taken from these stories is less than flattering. The <u>Star Tribune</u>'s reporting was accused of being "more fawning than hard-edged" in its attempts at "shilling for a shiny new ballpark." Writers at the <u>Star Tribune</u> were described as "shrilly upbraiding" opponents of the stadium in a series of columns that were "at first. . . amusing. Then they became tedious. Now they're just self-serving, the product of a journalistic clique afraid of becoming even less relevant." Not only the tone of the Star Tribune's coverage but the content covered was questioned, as City Pages argued that issues that called into question the validity of a taxpayer-funded stadium, such as "the tenuous nature of Carl Pohlad's agreement with Don Beaver, pro sports' economic woes, and barriers facing baseball in North Carolina have consistently come late, if at all, and have been buried deep in the paper. Analytical perspective has been replaced by a 'he said, she said' approach from front to back." This take on the issue, of course, frames <u>City Pages</u> as outside of this "journalistic clique," a relevant, hard-edged paper that owes nothing to the Twins and can thus offer a more candid view in its reporting of the stadium issue.

Interestingly, <u>City Pages</u> was notably kinder in its discussion of the <u>Pioneer Press</u>. Both "Home Field Advantage" and "Jock Itch" argue that reporters for the <u>Pioneer</u> <u>Press</u> were more critical of the stadium issue, for example when they scooped the <u>Star Tribune</u> with the story that Pohlad's "contribution" of \$82.5 million in one deal was a loan, not a gift.

<u>City Pages</u> was cynical not only about the <u>Star Tribune</u>'s role in the stadium issue, but was openly dubious about the motivations of nearly everyone involved, from the legislators and the governor to Pohlad and Major League Baseball. The Twins and team allies were described as "trying to set a hook in city government" (12/11/96), and their public relations efforts on the topic were "multitentacled" (12/11/96); Pohlad's offers were described as "gambits" (11/12/97) and "schemes" (11/12/97); Major League Baseball and other sports leagues were accused of deliberately keeping the supply of new teams lower than the demand, so stadium "blackmail" and "boondoggles" could abound (11/12/97). Governor Carlson and other legislators who supported a new stadium engaged in "major arm-twisting," prompting a legislator to note, "There will be judgeships handed out, commissionerships, what have you. The big boys want it, and they won't stop until they get what they want" (4/16/97). All these stories worked to present <u>City Pages</u> as an alternative-press David bravely opposing a series of Goliaths in government, business, and the media.

The image <u>City Pages</u> created for itself extended to the implied audience of its readers. Like <u>City Pages</u>, readers were expected to be cynical, distrustful of people in power, and disillusioned about the Twins and their tactics in lobbying for a new stadium. However, <u>City Pages</u> did not present an image of the reader as actively

involved in the Twins stadium issue, as the <u>Star Tribune</u> and <u>Pioneer Press</u> did in period two of the narrative. Instead, the implied audience of <u>City Pages</u> was apathetic about the issue. This image was reflected in the extremely low number of stories dealing with the issue and reinforced in a couple of stories that specifically focus on the public's reaction to the stadium issue. In the first, "Beggar the Question," (1/8/97) <u>City Pages</u> writers dressed in their "finest business livery. . . went downtown and did what no captain of industry would ever do in an effort to raise public funds: We walked up to people and asked them for their money face-toface." The article ironically referred to plans to capitalize on Minneapolis's "gnawing hunger for a new ballpark," and quoted the "reactions of the sports-crazed citizens of Minneapolis," These reactions ranged from "The Twins? I don't like having them here in the first place" to "They get too much money anyway," to "I'll give you a quarter if you build a new skate park. We need that more than a new stadium." They claimed only one person of the 50 they approached in their unscientific but intriguing study showed even a glimmer of interest.

The second story, "Suicide Squeeze" (11/12/97), presented a much more detailed view of the public (and City Pages readership by implication) as uninterested in the stadium issue. Proclaiming that "the public is way ahead of the media, the corporate honchos, and the politicians" (City Pages's three traditional Goliaths), City Pages interviewed 23 "regular people-anyone, that is, except official spin doctors," to find out how they felt about the prospect of the Twins leaving. The people interviewed were from a wide variety of backgrounds-bar manager, bookie, hat retailer, historian, restaurateur, sports librarian, tow-truck operator-but nearly all expressed little anxiety about losing the Twins because of the stadium issue. Like "Beggar the Question," "Suicide Squeeze" presented the public as basically uninterested in the topic in a generally passive way-they simply didn't think about the issue much one way or the other. However, there is some indication that even this passive disinterest is a potentially activist stance: "if stadium votes around the country are any guide, this is not just an isolated case of stubbornness: what we're witnessing may well be the beginning of a movement." Eventually, the only people <u>City Pages</u> trusts (and encourages its readers to trust) are the public—and even they are not a serious source of action in the stadium issue, but rather "send a message" by their lack of enthusiasm.

<u>City Pages</u> has not always been so studiously blasé about baseball in Minnesota, however. In 1991, the season that the Twins won the World Series, there was a column by Ann Bauleke on the Twins that ran weekly during the baseball season. Throughout the year, the column was generally warm toward the team, but as the season progressed and the Twins remained World Series contenders, the tone grew markedly affectionate. Most columns focused on one particular Twin player, detailing his history, his strengths and weaknesses, and his attitude. When the player's strengths clearly outweighed their weaknesses, Bauleke tended to speak of them in glowing terms, like Chuck Knoblauch: "[Knoblauch's] humor, dry as dust, is almost imperceptible until you catch him glance out of the corner of his eye and a

smile breaks across his face. The timing of his humor is as impeccably controlled as the hairline cowlick across his forehead" (5/29/91). Or Chili Davis: "When [Chili Davis] is ready, he walks to the plate like he owns the world, waits for his pitch—and, in the best at-bats, does anything he wants with a baseball bat" (6/26/91). The surprise in Bauleke's coverage comes when she is discussing the mediocre players on the team. When talking about a player whose weaknesses were apparent, her tone was warm and friendly; she humanized the player for the readers and invited them to celebrate even the less-known players. For example, in a piece about the thoroughly average middle reliever Carl Willis, Bauleke focused on Willis's slow realization that he was never going to be a superstar, citing him as saying "Now I think I've learned to accept having to deal with failure" (6/12/91). Instead of criticizing Willis, Bauleke turned him into a human being with whom most people could empathize. Similarly, in a story covering Al Newman's attempt at a new record—most at-bats without a home run—Bauleke encouraged the readers to empathize with "the desire of every major leaguer to be known and remembered" and focused on the odd situation of having to try <u>not</u> to hit a home run, rather than viewing him as a batting failure (7/31/91). The scorn of <u>City Pages</u> was reserved for the hapless Timberwolves, who <u>City Pages</u> accused of being greedy and materialistic, selling ad space on every available square inch: "I think they sold ad space on the bottom of the players' shoes, just in case someone falls down" (1/2/91).

Times have changed. The Twins no longer merit a weekly column during the baseball season, and the Timberwolves (who made the NBA playoffs in 1997 and 1998) receive much better press. But the coverage of the Twins has been more consistent than it first appears. Even when the Twins were doing well and receiving tribute from City Pages, the paper's affection was reserved for the team and the individual players and did not extend to the ownership of the Twins. For example, in her story about Al Newman and his attempts not to hit home runs by watching good players and trying not to hit like them, Bauleke noted wryly, "You'd use a similar method to avoid getting rich: study Carl Pohlad, and do the opposite." Similarly, in 1998 when cynicism about the Twins ownership was running high, there remained a thread of affection for the team and the players. Regular sportswriter Brad Zellar wrote a column attempting to explain his feelings for the team: "so many times in the past few years I have felt embarrassed at the ridiculous, compulsive, and almost genetic loyalty I feel for the Minnesota Twins, an organization that has been a beleaguered and unloved model of wholesale incompetence and bad luck for several years now. . . . I felt ashamed by how badly I wanted a new stadium built for the Minnesota Twins, and how important it was to me that they remain in Minnesota" (4/8/98). In another story, City Pages recommended people go to Twins games to see hometown favorite Paul Molitor's last year, despite their antipathy toward the Twins' ownership. City Pages does not flip-flop on the issue of enthusiasm for the Twins so much as it shifts focus. When public sentiment is for the Twins, it focuses on the human individuals and downplays the people in power; when public approval is low it tends to focus on

the evils of the ownership and downplays the affection people have for the team and individuals. The consistent image is that of a paper that cultivates suspicion and distrust of people in authority, but is willing to relax its guard a bit for an interesting baseball team as long as the ownership keeps quiet.

Conclusion

This chapter illustrates how different stories can be told in different news outlets about the same issue, and how sometimes these narratives can vary and contradict themselves within the same news source. At the beginning of the news coverage of the stadium issue, both the Star Tribune and the Pioneer Press framed the stadium issue as a business deal. The Pioneer Press was more critical of the business deal at first than the Star Tribune, but the Star Tribune's news coverage does became more critical as this time period progresses. During the second time period, both newspapers framed the stadium issue as a community issue as opposed to a business deal. The implied audience of this narrative is an active everyday citizen who is empowered to become involved in community issues. The Star Tribune contradicted this narrative with a series of editorials that implore the legislature to support the stadium issue despite public opinion's strong rejection of the issue. However, when looked at as a whole, the Star Tribune's news coverage and opinion pieces about the stadium issue overall supported a narrative that views the stadium debate as an important community issue. <u>City Pages</u> is far more critical than either mainstream newspaper about the stadium issue, and especially is critical of the Star Tribune. However, unlike the mainstream papers, <u>City Pages</u> did not create an implied audience of active everyday citizens, and instead creates an implied audience who sometimes find cynicism to be chic.

Chapter Six Power Politics: A Political History of the Campaign

Introduction

The 1996-1998 Twins' stadium debate in Minnesota reflected a struggle between two sets of interests. On one side stood those requesting a new and almost free baseball stadium, represented by such sports figures as a billionaire team owner, millionaire players, and baseball owners within the American and National leagues. On the other were those asked to pay, Minnesota taxpayers and representatives within the Minnesota legislature. Despite the use of threats to remove baseball from Minnesota culture, pleas to tradition and local pride, several unenforced deadlines, intimidation of Native Americans, corporate sponsorships, and the actions of influential lobbyists in conjunction with powerful elected officials, the publicstadium-for-private-profit forces failed to convince taxpayers and legislators to support what ultimately was revealed to be a manufactured crisis—an urgent need for a new baseball-only stadium, publicly funded to a sum estimated once at more than half a billion dollars.

General practices of the public-stadium coalition during the 1996-1998 period demonstrate a formidable, though unsuccessful, campaign. The extent to which these participants knowingly articulated campaign methodologies to each other cannot be determined, but their activities as documented in the public record do show definite patterns of behavior, and from these patterns reasonable inferences can be made about extents to which their actions were purposeful or accidental. For example, actions by Republican Governor Arne Carlson, many legislators, Twins ownership, Minnesota Wins, lobbyists, and several big businesses indicate that the pro-stadiumcoalition divided itself into two groups. Each practiced separate but complimentary proactive activities and coordinated reactive measures. Many of these proactive and reactive actions, to their credit, appear to be deliberate; a few suggest less calculated or organized efforts.

Essential to success in any debate is the ability to control the key terms of the debate itself. Governor Carlson's mandate to the legislature to find ways to finance a stadium required that the legislature consider <u>how</u> to fund a stadium, not <u>whether</u> such financing was legitimate. This indicates that control of the debate fell to government by virtue of the power that comes with political office. The key term to enforce, then, was "how." Any discussion of "whether" would weaken the project by casting shades of doubt on its merits. Ongoing responsibilities of all governmental leaders were to maintain focus on how by means not only of their virtue of office, but also by means of their ability to network among the elite. This involved establishing connections between legislators, lobbyists, wealthy organizations with vested business interests in public funding, and, as some legislators later described it, members of the "old boy's" network. Such became the membership of the first group, one whose power suits would better rebuff less welldressed naysayers. The other party to the 1996-1998 campaign was the Twins ownership itself. Its initial and ongoing proactive effort was to dictate not the terms of the debate, but the timing. This was achieved at first by means of threatening to break the team's lease of the Metrodome. It was sustained by means of efforts to break the lease agreement itself. Solicitations of approval from national baseball officials were played off against negotiations with the Metropolitan Sports Facilities Commission, which leases the Metrodome to the Twins. Such events were newsworthy and kept the concept of a "real" deadline, the end of the 1997 baseball season, before public and legislative eyes well into 1998.

These actions by both big government and the Twins suggest a sort of tag team partnership emerged between them. Legislative proponents would use the team's deadlines to keep committees on task and the media on focus, because deadlines required that committee activities not be dragged down or delayed by disgruntled members. Legislative leaders could argue that the Twins' deadline was not in their control. Team officials, on the other hand, could consider government proposals unencumbered by negative baggage about the issue of the money. The Twins' focus on proposals alone allowed them to maintain a blind eye as to where funding sources were coming from. In effect, the Twins ownership could show clean hands with respect to where the purse came from and how it was opened. Ownership's only responsibility was to review how much money was on the table, for what uses, over what period of time, and in exchange for what goods and services. By means of this tag team approach, there was great potential for a pristine business environment, one in which bill proposals could be advanced and a stadium could be built.

Few proactive efforts, no matter how sound, can ever maintain a hermetic seal over the terms and the timing of events, and so practices by both parties to the partnership suggest a simple three-pronged line of defense to challenges as they arose. One reactive posture taken by funding advocates was to assert that naysayers misunderstood either the terms of the debate or the timing of the events. Second, advocates admitted periodically to lack of sufficient clarity on their own part. Finally, advocates conceded willingness to continue working together in a productive spirit of cooperation. All three actions-assertions, admissions, concessions—each served to retain control in their hands by transferring onto their opponents the need of having to defend themselves, to express goodwill, or to accept new terms for public funding initiatives. Assertions of misunderstanding, for example, transferred the burden of error onto the part of the naysayers, forcing them to defend their (mis)understanding of the issues. Admissions of insufficient clarity served to admit the coalition members' own weakness in part, as well as express humility, but admissions also required goodwill from their opponents in the spirit of genteel political respect. Finally, granting charitable concessions generally makes the giver an active agent in the transaction such that the receiver assumes a subordinate role in the new debate. In sum, the pro-funding partnership's reactive method suggests practice of the art of forced diplomacy.

Charity gives any advocate a pleasant and agreeable demeanor. Charity with authority gives the optimistic advocate a distinct advantage: a grin is always more winning than a frown, even if it comes from a Cheshire cat.

Such were the overall practices on the part of the pro-funding coalition. Their efforts were successful so long as they were effective, but several maneuvers by opponents and errors internal to partnership members ultimately unraveled the pro-funding campaign crisis to expose it for what it was: a poor business decision, but one that the public may be duped into correcting. In the end, one action after another by various members of the coalition would reveal that the partnership's greatest errors came from within its own ranks. Public attention to government activities resulted in setbacks as to the scope of how the stadium was to be publicly funded. Subsequent funding proposals by legislative members drew criticism about sacrifice of cultural values in the pursuit of the dollar. Actions by Twins ownership caused utter loss of credibility in every important regard: deadlines, honest business practices, and devotion to Minnesota culture.

We now turn to careful examination of all the above proactive and reactive efforts, responses to them by their opponents, and successes and failures on the part of both sides to the debate.

Twins team owners began to manufacture the crisis in the fall of 1995 with public declaration that the team's thirteen-year-old ballpark, the Metrodome, was obsolete. Everything surrounding the timing of this announcement indicates that Carl Pohlad began planting the seeds for this crisis as early as 1987. Cooperation with key government officials reveals that the pro-funding coalition also took root in this period. The 1996-1998 campaign has a history that predates it by many years. The pre-public campagn period marks a time when the pro-funding coalition sought to define a new stadium as necessary and good for the public weal; the 1996-1998 period itself marks the time when opponents successfully labeled it a public weed.

Carl Pohlad's preparation for a stadium debate began in the late 1980s. In 1987 he successfully negotiated a new Metrodome lease contract with the Metropolitan Sports Facilities Commission, a governmental agency. This "use agreement" contract allowed for the franchise to move the team out of the Metrodome after the 1997 baseball season if it could demonstrate three consecutive years either of net operating losses or of per-game average attendance below 80% of the American League. In June of 1992, Pohlad announced the team was for sale, but then denied reports of these efforts much later, in November of 1993. In February of 1994 he again announced that the team was for sale, but only to owners who would pledge to keep the franchise in Minnesota. He reported that the team had been losing money, and he was worried about strapping what had become a financial burden onto his family. Privately, he conducted financial analyses that predicted future losses and indicated that the team could not turn a profit, at least not from ticket sales.

The 1994 season was a dark period for baseball in general. Talks between players and owners about salaries had become grim in the spring, and later in the season the players' strike would cripple the industry. The month following his announcement to sell the team, however, Pohlad himself purchased the remaining 42% of the franchise for an undisclosed sum. Immediately after doing this, Pohlad put the public on notice that he likely would not sell the team for another two or three years. Instead, he then petitioned the Metropolitan Sports Facilities Commission in July for help; in the spring and summer of 1994, Pohlad wanted Minnesota to believe that the close of the 1997 baseball season would bring new ownership and calls for a new stadium. Pohlad essentially coordinated full ownership of the team with full knowledge of its inability to turn a profit, and placed both on a time schedule that virtually ensured his ability to end the Twins' lease of the Metrodome in 1997. He could expect—and perhaps hope—to show financial losses for 1995-1997 and leaders close to the team knew it.

Government cooperated greatly with Pohlad by means of its sports and business enthusiast governor, Arne Carlson. In February of 1995 the Republican Governor exercised influence over the construction of a 20-member board, the "Advisory Task Force on Professional Sports Franchises." This task force was selected by members of the Metropolitan Sports Facilities Commission, the chair of which was Henry Savelkoul. Carlson had appointed Savelkoul, a former Republican representative from Albert Lea and House Minority Leader, to represent his interests in this post. Savelkoul claimed that his commission had to be "proactive" about professional sports franchises. Why? In part because six of the commission's seven members had been appointed by the Minneapolis City Council, which itself had a strong interest in retention of the Twins by building a new stadium in Minneapolis. Another motive may have been because if a stadium could be publicly funded, the commission would stay in business by renting it to the team. As a result, the commission charged the task force with the responsibility not so much to consider whether a stadium was appropriate, but how far Minnesotans would go to keep professional sports and how a stadium should be paid for; the task force had to recommend facilities requirements necessary to keep and acquire professional sports franchises. The commission's government relations chair, Independent-Republican activist Loanne Thrane, helped define what information the task force needed to present to the public. Toward this end, the commission also hired the services of political consultant John Himle, a former Republican legislator and soon-to-be member of Minnesota Wins.

This task force's assignment, together with its final recommendation, shows strong efforts by the pro-stadium coalition to maintain early focus on how to build a stadium. For example, it recommended that the legislature should direct a referendum proposal to seven counties in the metropolitan area, one geared to ask the public how best to fund a stadium. This referendum idea appears to have been the brainchild of businessperson Robert Dayton, CEO of the Okabena Company, great-grandson of the founder of the Dayton-Hudson corporation, and soon-to-be member of Minnesota Wins. Governor Carlson favored this proposal, and it enjoyed support during the initial weeks of the 1996 legislative session. But in February it found a vocal opponent in Democratic senator John Marty. Marty claimed the referendum question was "slanted" and "designed to maximize the possibility of a yes vote." He revealed that the referendum's language did not ask the public a more neutral question as to whether a stadium should be built, only how. Strategically, should the referendum fail, the pro-funding coalition could argue that the public wanted a stadium but just opposed various payment plans. But due to senator Marty's efforts referendum advocates lost control over the words of this proposal, and so over its hoped-for success. Any change in wording sympathetic to Marty's concern could prevent any funding whatsoever if the public should vote the referendum down. That the public would do such a thing was suggested by a poll conducted in September of 1995, in which 69% of respondents opposed a tax-funded stadium and only 21% favored it. The carefully slanted referendum concept so desired by Governor Carlson, the task force, and the Metropolitan Sports Facilities Commission never made it out of legislative committees.

Governor Carlson's subsequent response in April of 1996 was another effort to exercise strong control over how to build a stadium. After the legislature concluded its 1996 session he appointed two people to represent the public's interest in renewed negotiations with the Twins: his chief of staff Morrie Anderson and Henry Savelkoul. Several legislators at the time questioned the wisdom of these appointments. Savelkoul himself said that the Metropolitan Sports Facilities Commission lacked credibility to negotiate, due to its biased composition. Loanne Thrane echoed Savelkoul, indicating that she would not trust the negotiators if they were both Democrats. Outrage over Savelkoul's appointment would be revealed when the Legislature reconvened in January of 1997. Senator Marty said then that the Metropolitan Sports Facilities Commission had negotiated in bad faith. One member of the commission and some legislators called for Savelkoul's resignation. He did not resign. But in those months between this appointment and this criticism, Carlson enforced control by fiat, and precious little news arose about the negotiations. Morrie Anderson had said in April that he hoped the negotiators would have a plan for the legislature ready by the end of July 1996. No planning was ever reported, no plan was ever given, no questions were ever asked. Instead, a new plan seems to have been under construction. Governor Carlson had also appointed Robert Dayton to the public's negotiation team.

The presence of Robert Dayton in negotiations reveals a second limb of activity by Carlson, one little noticed and little reported at the time: the construction of Minnesota Wins. In May, 1996, just one month after Dayton's appointment to the negotiating team, Minnesota Wins emerged as a non-profit, non-governmental entity devoted to persuading Minnesota lawmakers to build a new baseball stadium funded by taxpayers. Dayton, at Governor Carlson's personal behest, was chair of this organization. Almost everything dealing with the construction of this

organization indicates close Republican networking at high levels. The corporation's executive director was Joe Weber, Governor Carlson's former deputy chief of staff and 1994 reelection campaign director. Weber had in fact both abandoned his governmental post and become president of Minnesota Wins within the span of one month, and set up the office for the corporation in the same space as had housed Governor Carlson's gubernatorial campaign headquarters. Vice chair of Minnesota Wins was Ray Waldron, head of the Minnesota State Building and Construction Trades Council, the city for the proposed new stadium. John Himle, a former Republican state representative whom the Metropolitan Sports Facilities Commission had hired to assist the task force, now moved on to direct Minnesota Wins' research and communications strategy.

In addition to this mostly Republican pedigree, Minnesota Wins enjoyed several other influential connections. The group received financial support from at least seventeen corporations, not the least of which was Cowles Media, owner of the Minneapolis <u>Star Tribune</u>, as well as a great deal of property in downtown Minneapolis. One lobbyist hired by Minnesota Wins was Larry Redmond, who earlier had led a successful lobbying effort in which taxpayers bailed out a faltering (and new) Target Center in Minneapolis. Even though Minnesota Wins initially declared itself a grassroots organization unconnected to lobbying, by October of 1997 it would disclose lobbying expenditures in excess of \$156,000, and nearly \$2 million in other expenses.

Once Minnesota Wins is paired with the Twins organization, the coalition becomes even wider in scope. The Twins shared eight lobbying firms with the Metropolitan Sports Facilities Commission. The Twins also retained, for lobbying, the firm of North State Advisors, which also services tobacco clients. The Minneapolis City Council had hired the same firm to promote miscellaneous urban issues, as well as the law firm McGrann, Shea, Franzen, Carnival, Straughn, & Lamb for lobbying efforts to promote expansion of the Minneapolis Convention Center. This firm also lobbied for the Metropolitan Sports Facilities Commission and the Metropolitan Airport Commission. In effect, many of the same lobbying firms represented local government, the Twins, and the Metropolitan Sports Facilities Commission but for reportedly different interests. The Twins also employed as lobbyists the firms of Winthrop and Weinstine, and of Messerli & Kramer, a group that lobbied for both Canterbury Downs and the Brown and Williamson Tobacco company. Over the period from July of 1996 through June of 1997, the Twins were reported to have spent more on lobbying at the Minnesota capitol (\$738,146) than any other organization. Additional cooperation between the Twins and Minnesota Wins occurred in letters mailed to Minnesotans and commercial advertisements.

Preparations for the public campaign were now complete. Morrie Anderson had not been heard from in July, but instead, the Minnesota Wins team began to initiate the deadline that would threaten moving the Twins from Minnesota. On behalf of the Twins, the organization began to distribute self-addressed stamped postcards at home games in the summer of 1996. At the beginning of September, those who had returned the cards were sent an information packet that included a litany of financial woes due to the team's current facility, as well as discussion of the team's ability to exercise an escape clause in 1997 (see chapter one). Finally, on September 5, 1996, Governor Carlson directed the Minnesota legislature to find ways, during its next legislative session (January-May, 1997), to build a new ballpark stadium using public money. Together Minnesota Wins and Governor Carlson established 1997 as a deadline for stadium funding. Governor Carlson alone had initiated control over the terms of the debate without the help of task forces, referenda, or negotiating teams. The legislature would have to decide how to fund a stadium with public money, and the countdown was then made known to business people, legislators, media, citizens, and fans alike.

Governor Carlson's authorization effectively sanctioned a critical and financial partnership between Twins owners and Minnesota government. Robert Dayton said the strategy was to keep legislative lobbying "low-key" until after the 1996 elections. Their reported intent was to use the preelection period to drum up support by volunteers organized by legislative district and to draft a proposal worthy of responsible consideration by legislators. But in a public statement made September 13, 1996, senator John Marty again succeeded at reframing the issue to be one of citizens versus private business. Senator Marty isolated the Twins by characterizing the debate as one intended "to bail out those multi-millionaire owners and players." Marty spoke out in an attempt to prevent what he said was a "conspiracy of silence" and "taxpayer ripoff" effort. Given the lack of attention paid to Carlson's appointed negotiators as well as to Minnesota Wins, Marty seems to have been correct. As a result of his efforts, media attention turned to legislators in the preelection atmosphere of 1996, many of whom subsequently committed themselves on record to oppose public funding of a stadium. Senator Marty had "polluted the well," as some legislators later called it because he had prompted those members to go on record.

Now, no matter how funding was achieved, the scope as to how it would be done had been drastically reduced, and Marty again succeeded at turning attention in part to whether it was appropriate. Key legislators had promised that no public money from the state's general fund could be directed to the stadium. The general fund is used for schools, higher education, welfare, and other programs. Marty's label of "millionaire" eventually stuck: the material prosperity of team owners and players plagued them for the remainder of the debate. It forced them to defend their personal wealth from attack as they squeezed legislators for hundreds of millions more of public dollars. Frequent referrals to the debate used variations on the theme of building a stadium for a "billionaire owner and millionaire ballplayers." Politics, then, effectively placed most Minnesotans in opposition to Twins owners, contrary to the efforts of Governor Carlson, Twins ownership, Minnesota Wins, lobbyists, and corporate businesses. Senator Marty's chief weakness was the fact that he was a lone voice in this period, and many considered him politically weak as a result of being trounced in his recent bid for governor. He may have succeeded at reducing the size of how funding was achieved, but he still had not yet managed to generate enough interest into whether it should be done in the first place.

Twins owners and supporters responded with pressure and leverage. Predicated on failure to receive public funding by the end of 1997, Twins supporters threatened the team would move without a stadium. In April of 1997, owners eventually made good on this threat by bringing MLB commissioner Bud Selig to Minneapolis. This began their legal effort to exercise an escape clause contained in their lease of the Metrodome, and perhaps even to move the team's franchise out of the state after the 1998 baseball season. Twins leaders also flexed their long arms of political influence, initially including public appearances and private lobbying by Governor Carlson, Minneapolis Mayor Sharon Sayles Belton, and the Metropolitan Sports Facilities Commission. Minnesota Wins began soliciting game attendees for support, gathering polls, and conducting rural focus-group studies. At the time of Bud Selig's April visit, John Himle warned legislators who would vote against stadium funding of "political consequences." Minnesota Wins supporters attended legislative hearings and Robert Dayton kept in touch with legislators. Finally, there were the efforts of the Twins' own lobbyists. These political and lobbyist networkers provided politicians with funding proposals that served to preserve the politicians' stated opposition to public funding and also served to remove the apparent opposition between Minnesotans and Twins ownership.

Each of the many funding initiatives floated during the course of the 1997 regular legislative session can be characterized in terms of targeting primary, secondary, and tertiary revenue sources. News coverage of these proposals suggests legislators targeted their sources strategically; the legislature would still ultimately require the public to pay for the stadium in any case, but the greatest amount of their money would be drawn from coffers to which a silent majority would least oppose, while the fewest dollars would come from sources to which a vocal minority would certainly object. For example, the two greatest primary revenue targets during the whole debate were tobacco and Native American tribes. Governor Carlson and others initially advocated adding an additional cigarette tax of ten cents per pack, thereby generating roughly \$33 million annually from Minnesota smokers. Businesses that stood to lose from such price increases were the traditionally-unpopular tobacco companies.

Tobacco taxes were later replaced in favor of a plan to remove the state's Native American tribes' <u>de facto</u> monopoly on gambling in order to profit from statesponsored slot-machines at Canterbury Downs, a horse racetrack just two miles from the state's largest casino. We believe the perception among some legislators was that many people resent the tribal casinos' tax-free and enormous profits. A sign of this resentment was later demonstrated by the statements of representative Loren Jennings, who gave the tribes a 60-day ultimatum to agree to pay all the estimated stadium revenues themselves in exchange for the ability to retain their <u>de facto</u> monopoly.

The second set of potential sources included adding games to the Minnesota lottery, setting up some sort of a loan and grant combination made by the Pohlad family, and some sort of public-private ownership of the team. These sources contained rather abstract characteristics, whether by nature, in the case of the lottery revenues, or by design, in the case of the loan-grant-ownership integration. For example, most lottery profits at the time were added to the state's general fund, making them as much a tax revenue as any other state tax. But pro-funding advocates might be able to argue that such lottery funds were a type of voluntary tax, thereby protecting legislators' promises. Not every one who might purchase a lottery ticket would necessarily do so in order to support the stadium, however, and other investments made by lottery profits might suffer in the subsequent redistribution of resources. The state's Environmental Trust Fund, for example, received about 40% of lottery proceeds, and one idea popular among legislators would have used one-half of the state's existing \$61 million annual lottery for the stadium. Further, the loan-grantownership offers varied constantly in its proportions from one bill proposal to the next and from one team press release to the next. One legislator called these a constantly "moving target." No proposal remained constant, and even those that survived the longest were complicated by such variables as projected costs, projected earnings, and projected values of the team at various dates of possible sale. Such indeterminables arguably helped the proposals to avoid becoming labeled as publicly-funded, thereby protecting legislators' preelection promises.

The third and smallest target sources included such a miscellany as ticket taxes, stadium sales taxes (concessions, logo merchandise), player and guest-player income taxes, and other taxes levied on the downtown area, such as parking, liquor, and lodging. These sources would have had organized or well-represented people responsible for collection. The Minneapolis business community and baseball players alike represented a strong potential for opposition, but such taxes are not uncommon for professional sports facilities because area businesses and players historically stand to gain from sport attendees. Thus, the primary revenue targets identified unpopular or marginalized groups, while the secondary appealed to the electorate's inability to conceive of, or oppose, calculations of insufficient definition, and the third targeted a known, but demographically isolated, group that stood to benefit financially from a stadium. Arguably, the primary targets appealed to prejudice, the secondary to ignorance, and the tertiary to ambivalence.

All of those whom these proposals targeted for payment successfully opposed each initiative by persuading legislators to abandon their support. Their objections put stadium supporters on the defensive, forcing them to resort to assertions of misunderstanding, or concessions of insufficient clarity, and offers to seek alternate funding pathways. Tobacco companies, for example, not only held close ties to

legislators, but some also shared the same critical lobbying firms as the Twins and the Metropolitan Sports Facilities Commission. Whether or not they were forced to choose due to media attention about potential conflicts of interest, these lobbying firms eventually abandoned their connections to the Twins, thus crippling the Twins' efforts. Seven of the Twins 15 registered lobbyists abandoned the stadium project. Legislators also began to back away from the proposal, eventually reducing the two main sponsors of the tobacco tax in the House and the Senate to issue a doomed bill that had only one co-sponsor in each chamber.

Some of the same tobacco lobbyists, such as Ron Jerich, also worked for Canterbury Downs. During the period when the tobacco proposal began to falter, new negotiations began with a view to replacing cigarettes with slot-machines, or, depending upon one's viewpoint, with preying upon Native American tribes instead of tobacco companies. Ron Jerich persuaded senator Dick Day, R-Owatonna, to sponsor the slot-machine bill. The rise of the Canterbury concept and the fall of the tobacco tax allowed some conflicted lobbyists to resume indirect work on behalf of the Twins: Messerli & Kramer, arguably the state's most powerful lobbying firm, worked the Canterbury slot-machine circuit. Although Governor Carlson had long been a strong opponent of state-sponsored gambling, he subsequently reversed his position, and not without controversy. His press secretary initially said that Carlson believed slot machines would constitute an "expansion" of gambling, which would result in a major shift in state policy. Later Governor Carlson himself said the slot machines would constitute an "extension" rather than an "expansion." With this clarification settled, Carlson indicated that he would not oppose such gambling legislation, then went so far as to call upon tribal leaders to share their profits with the state if they wished to avoid loss of their monopoly. Senator Dick Day defended Carlson. Senator Doug Johnson, chair of the Senate Tax committee, supported Carlson's newest funding offer. However disheveled, the for-profit stadium coalition was restored.

The mostly-Republican sponsorship of Canterbury gambling remained solid throughout 1997, but tribal leaders mounted vigorous opposition and their own lobbyists found strong supporters of their cause, including leading Democratic legislators, business organizations, the cities of Minneapolis and St. Paul, and Christian religious leaders from across the state. John McCarthy, executive director of the Minnesota Indian Gaming Association, said such efforts created a "hostage situation" that was attempting to make Minnesota Native Americans responsible for retention of the Twins. State Senate Majority Leader Roger Moe said the tribes were being "bullied." Lobbyist Larry Kitto called the efforts "blackmail." Other opponents expressed ideas ranging from moral indignation at gambling to zealous interest in putting up to 20 video slot-machines each in nearly 200 bars throughout the Twin Cities, or the construction of mini-casinos in downtown Minneapolis, or St. Paul, or beside the Mall of America in nearby Bloomington. These protests and counter-proposals created some dissension within the Republican flank, as well as doubt about the accuracy of senator Day's predictions about slot-machine revenues. This, coupled with resistance by officials in both cities, caused defeat of slot-machine proposals at committee levels throughout the spring months of the 1997 legislative session.

Opposition to tertiary revenue sources was slight by comparison to the above voices, but it was sufficient. Minneapolis Mayor Sharon Sayles Belton, for example, announced midway through the legislative session that she opposed city-only taxes slated to help finance the stadium. Shortly later Twins President Jerry Bell indicated that players' agents would likely negotiate a 4% salary increase should they find themselves having to pay a 4% salary surcharge for the stadium. Again, such proposals never made it out of committee. In effect, none of the proposals designed to shunt mandatory taxation into business environments found support in the business communities.

The controversial nature of these revenue proposals, all designed to advance the argument as to how the stadium was to be built, arguably failed because they themselves led to attention as to whether they were appropriate. People objected to holding native tribes hostage, or to morphing the state into a "dealer" peddling not only scratch-offs, but also pushing face cards, and electronic oranges, lemons, cherries, and other tempting fruit. The escalating costs of the projected stadium suggest that legislators expected precisely the opposite reaction. The very first stadium proposals advanced in the referendum days of February 1995 mentioned \$150 million. By March of 1995, this figure climbed to \$250 million, then \$300 million in April. Bidding again started at \$300 million in the fall of 1996. This figure was raised to \$350 million at the start of the 1997 legislative session and hovered between \$345 and \$350 for the remainder of January, the period of the tobacco tax. By March of 1997, when Native American tribes were being targeted, the ante had been upped to \$474 million, then dipped to \$439 million in April, then rose to a respectable \$505 million wager in May. The retractable-roof stadium represented by these figures actually changed little in its overall design. What changed was how it was funded, from tobacco to gambling, and the escalating figures suggest legislators hedged their bets to exploit what the public thought of as ill-gotten gains ("sin taxes"). Since senator Marty had severely limited the scope as to how funding was to take place; consequently, pro-funding advocates in the legislature, by their own proposals, lost control over this term of the debate.

Opposition to all three major funding targets caused the legislature to fail to produce any stadium bill by the end of its normal legislative session, which ended May 19, 1997. Governor Carlson promised to call a special legislative session, beginning in September, for the purpose of passing a stadium bill. In advance of that date, he recommended that a (or rather, another) special legislative task force provide recommendations to the legislature by September 1. The promise of a special legislative session reintroduced the viability of the deadline set by Twins ownership. It also reintroduced control over the terms of the debate: the task force was still charged with discovering how a stadium could be publicly-funded.

The task force held hearings and conducted investigations, but was unable to bear any new fruit from its labors. It could only re-recommend to committee the use of gambling and lottery revenues. Opposition by the religious community resumed and so did reactive efforts by pro-funding legislators. For example, one religious leader alleged that "there is an addiction in the whole community." Senator Day retaliated by suggesting that those clergy opponents who were pro-choice on abortion should favor gambling, because it too was an issue of choice. He also claimed that compulsive gambling problems were caused by the tribal casinos and not the state. The committee that finally received the task force's proposal, the Democratic-led Legislative Commission on Planning and Fiscal Policy, subsequently voted the proposal down. Senator Day called this commission a "kangaroo court" and insinuated that its chair, senator Moe, was being influenced by campaign contributions from tribal organizations. Day withdrew this charge several months later when senator Moe disclosed his contribution figures.

The task force's efforts, together with the rancorous tenor of the debate over gambling in the fall, indicate that the pro-funding coalition had lost control of the debate by the end of the regular legislative session and were never able to regain it. But legislative and lobbyist activities were not the only ones to receive blame. Twins owners themselves brought troubles upon the coalition with multiple credibility problems. Legislators expressed frustration with the Pohlad family's financial relation to stadium proposals. In January of 1997, for example, Twins ownership revealed that the Pohlads would contribute \$82.5 million to the \$345 million stadium project. Shortly thereafter it was discovered that all except the Pohlads had misunderstood that this contribution was not a grant, but a loan, to be repayed with interest. In subsequent months, the Pohlads fought with legislative negotiators to keep their "grant" figure to \$15 million, and their "loan" figure to \$35 million. These revenue constants contrasted sharply with the rise of the stadium's eventual cost. In addition, various proposals by the Pohlads to donate up to 49% ownership of the team to the state included the fact that the donation would become a tax write-off, in effect another cost absorbed by taxpayers.

Carl Pohlad created another public relations problem in the spring and fall of 1997 with mixed signals concerning his plans to retain ownership of the team. Pohlad had made clear in the spring of 1994 that he intended to sell after the 1997 season. Despite calls on May 2, 1997, for the owners to sell the team, made by senator Doug Johnson, Carl Pohlad's son Bob denied the team was for sale. But on May 12 Governor Carlson intimated just that and another of Carl's sons, Jim, seemed to agree. Carlson predicted that the Twins would be moving to Charlotte, North Carolina. Jim suggested Mexico. Governor Carlson made the same threat of team sale on August 23, predicting a "dramatic announcement" within six to eight weeks. It was soon revealed that Carl Pohlad had contacted North Carolina businessperson Don Beaver in June, on the same day that American League owners had given Pohlad permission to sell the team. Just two weeks after this revelation, on October 4th, Beaver and Pohlad signed a letter of intent to transfer the team to North Carolina should the legislature fail to produce a stadium-funding bill by November 30, 1997. Carlson and Pohlad were still working together to enforce the November deadline; what changed was Pohlad's intent not just to sell the team but to move it out of the state.

Pohlad's actions reveal a pattern of quietly working the Capital away from journalistic scrutiny. Private negotiations had taken place in the spring and summer of 1994; the period when Pohlad bought out the team and petitioned the Metropolitan Sports Facilities Commission for help that he would not specify publicly. They resumed again in the spring and summer of 1995, when Pohlad secured the aid of American League president Gene Budig, who said Minnesota needed a new stadium. This was also the interim period when the Advisory Task Force on Professional Sports Franchises apparently received its cue from the Metropolitan Sports Facilities Commission. Just prior to the Task Force's most active deliberations, the Metropolitan Sports Facilities Commission halted 18 months of architectural planning to renovate the Metrodome. Private negotiations resumed again in the spring and summer of 1996 when Governor Carlson turned the public interest over to negotiators Morrie Anderson and Harvey Savelkoul. They resumed again in the spring and summer of 1997 as the Beaver-Pohlad deal commenced. During these seasons Pohlad worked with government officials to make straight privately what had seemed suspect publicly.

Besides silent work, Pohlad's annual and seasonal pilgramage into governmental headquarters reveals that the Twins always saw the public coffers rather than private business as the best resource to finance a new stadium. At no time from February of 1994 through May of 1997 were offers by private business reported as viable. In fact, reports were quite to the contrary. Many private business people had publicly tendered offers to build a stadium, and many subsequently complained that they were not taken seriously by the Metropolitan Sports Facilities Commission. The special interests this commission may have had in a public stadium have already been considered, but what about Pohlad? Henry Savelkoul had long been a key figure advocating the idea of partial public ownership of the team. It may be the case that the combination of Pohlad's tax deduction with his "loan" plus subsequent sale of the team in a new (and free) stadium offered a more lucrative profit than simply selling the team without any new stadium and paying the subsequent sales and income taxes. A new stadium paid for by the public, loan repayment by the public, tax deduction by the public—all offered financial benefits for Pohlad bank accounts. Thus, even though the concept of public ownership did not become significant until relatively late in the debate (1997), it appears to have long been part of a necessary condition for getting a stadium built by means of public revenue. As such, the marriage of tax funding to tax deduction effectively served to exclude private suitors. Such a lock-out plan, in tandem with legislative failures, contributed further to failure of the pro-funding coalition's own attempt to control how a stadium was to be built.

Loss of control in May 1997 by the pro-funding coalition resulted in acquisition of it by anti-funding proponents. They succeeded at shifting the question from how to "whether," and even managed to nullify the November deadline imposed by Twins ownership. For example, during the summer months several grassroots citizen groups worked in concert to oppose any public funding of the stadium. Primary among these was "Progressive Minnesota," which began a petition drive in mid-June that intended to place on the November ballot a referendum proposal hostile to the stadium project. The goal was to create a City Charter amendment that would prevent, without voter approval, construction of a sports facility requiring public funds in excess of \$10 million. Later that month Minneapolis Mayor Sharon Sayles Belton had called for the city to contribute between \$50 and \$54 million for a stadium. In late July, Progressive Minnesota secured the leadership of the Reverend Ricky Rask, who had voiced opposition to stadium funding as early as December, 1996, as founder and spokesperson for "Fund Kids First." Her preelection activities reveal a strong analogue to those of senator Marty one year before. She also put pressure on legislators, challenging them to show "moral courage" against "corporate welfare."

Rask's work for Progressive Minnesota grounded this pressure with the grassroots movement. Despite calls for rejection of the petition initiative by Minneapolis Mayor Sharon Sayles Belton and City Council President Jackie Cherryhomes, Progressive Minnesota rallied together enough signatures (23,000) to put the referendum on the city's fall ballot. City residents would later pass this measure, called charter amendment 145, chapter 15, section 13, in the elections on November 4, 1997. Just nine days before the legislature would take its final vote, Minneapolis residents had now spoken by means of votes, and not just through polls, against mixing baseball economics with Minnesota politics. Citizens had finally passed a referendum on professional sports. Should the legislature decide to build a stadium in Minneapolis, it could not do so with any more than a \$10 million contribution from the city without voter approval.

Rask's increased effectiveness is but one among several factors at work while the pro-funding coalition was weakened. The Minnesota Vikings had been contributing funds to Minnesota Wins from its birth. The Vikings claimed to have put more reserve monies into the Metropolitan Sports Commission than the Twins, reserves which the Twins now sought to use. The Vikings received little support from the Twins and complained that they were ignored. In February of 1997 the Vikings sought to link their interests with those of the Twins by proposing a dual-purpose stadium, or by renovation of the Metrodome for their purposes, but also to no avail. The Twins opposed the dual-purpose proposition. The Vikings increased their demands in August of 1997, seeking what would amount to more than \$650 million from taxpayers for the Twins and Vikings. St. Paul too threw its hat into the ring, seeking state funding for a new hockey stadium. Republican senator Dick Day had found room for hockey in his February slot-machine gambling bill. Perhaps wise to the Twins stadium campaign mess, in October St. Paul legislators sought to remove their request from those involving a baseball stadium. In 1998 the legislature approved funds for a St. Paul hockey arena. Rather than target others while keeping lobbying low-profile, the pro-funding stadium coalition had itself become a target with no profile.

The Minnesota legislature held its special session from October 23-29, 1997 and ended its deliberations with a final meeting on November 13. Legislative and Twins-ownership proposals indicated additional attempts to remove opposition between citizens and owners, and to present both as fans in support of baseball. Pohlad's final offer, made on October 24, became a dramatic media event. He proposed a 49% donation, and included \$111 million in capital investment. But the donation was still a tax write-off, and the investment would still be recouped—plus interest—from subsequent sales in the stadium. It also required the state to ante up \$250 million for a stadium and the host city \$50 million. The Minneapolis referendum had yet to be passed, but public support of it remained strong. Another final offer, then, included total donation of the team to a non-profit organization, provided it shoulder \$86 million in debt amassed by the team, and that the remaining revenues come from the state's general fund, bonds, user fees, and area taxes. The state and city investments would still be required; government would sponsor the organization and "loan" it the required bailout. The state would still pay for the stadium, as well as buy out the team's stated debt, as well as lose tens of millions of tax dollars due to Pohlad's tax deduction based on Pohlad's calculation of the team's worth.

This second final offer proved most attractive to legislators because it canceled the Minnesotans versus Twins distinction and it avoided limitations by what soon became the newest Minneapolis City Charter amendment. It became the focus of their vote on November 13. Prior to the vote, team owners and supporters sent Minnesota baseball heroes on a tour of the state with political leaders, pleading to keep baseball in Minnesota. The tour included Minneapolis Mayor Sharon Sayles Belton, Governor Carlson, and St. Paul Mayor Norm Coleman. They called themselves the "Flying Squad." But polls showed that public opposition to stadium construction was grounded more deeply than grass roots, despite favorable ratings on the most recent financing proposals. Further, Minneapolis residents had just passed the City Charter referendum by a ratio of 2 to 1. Many legislators were still on record for having opposed use of the state's general fund for a stadium. On Thursday, November 13, 1997 the Minnesota House of Representatives voted 84-47 against the stadium funding proposal, thus killing the project for 1997. The sponsor of the bill in the House, representative Loren Jennings, declared before house members that "baseball dies in Minnesota." The high-flying stadium had become a political albatross.

The passing of the Twins' deadline of November 30, 1997 revealed the pro-funding coalition's tactics for what they were, entirely manufactured. Pohlad had succeeded

at representing the deadline as the end of baseball in Minnesota for members of the public and for many legislators. But for himself, other legislators, many lobbyists, and many government officials, it represented the unfortunate end point for a very big Plan A. Minnesota Wins provides a testament to this colossal failure: it was never heard from again. Quick departure of this not-for-profit organization suggests its "grassroots" to have been more akin to artificial turf.

Plan B was soon to follow-still designed to persuade Minnesotans to build the stadium. If Pohlad's contract was to be believed, the passing of November 30, 1997, effectively set the sale of the team into motion, a movement largely out of Pohlad's hands. Key to this struggle was not Governor Carlson, not the Minnesota legislature, not Twins ownership, but rather members of the American and National leagues who would have ultimate say over the fate of the sale and of Pohlad's ability to move the Twins franchise. Several considerations played into the league members' judgment. First, the contract between Pohlad and Beaver was due to expire on March 31, 1998. Should other potential team buyers emerge after that point, the leagues might have forced the Twins to stay in Minnesota. Should the pair extend their contract, the leagues might have seen fit to approve the sale, based on statements made first by Gene Budig, then Bud Selig. Second, citizens in the North Carolina Triad region were scheduled to vote, on May 5, 1998, on a referendum that would approve sales taxes designated ultimately to pay for a new stadium. Should that fail, the leagues might have rejected the sale. Additional factors encouraging approval to move would have been sustained lack of interest by Minnesota legislators and the possibility that a Minnesota judge would sanction the legality of the Twins' breaking the Metrodome lease.

All of these factors considered by baseball league owners indicate that control over the terms and the timing of the debate began to return into the pro-funding coalition's control. Minnesotans might still keep the Twins if they could discover how to fund the stadium, and they had either until March 31, 1998, or May 5, 1998, or the judge's ruling to decide. Governor Carlson did his part, as per usual: he encouraged legislators, and he petitioned MLB owners for an undetermined extension of time, time enough for Minnesotans to pay for a stadium. Legislators did their part. They first drafted and rejected proposals designed to require the people buy out the team by loaning the \$85 million bailout money to a non-profit puppet charity and then to build the stadium with user fees. Ultimately, they passed a non-binding resolution designed to send MLB a message that baseball was still beloved to Minnesotans. And Pohlad did his part. On March 24, 1998, having won his non-binding court suit to move the team, he and Beaver simply extended their March 31 deadline by what appeared to be a gentlemen's agreement. When the North Carolina referendum failed in a crushing defeat on May 5, 1998, Don Beaver affirmed his sustained intent to buy, and Charlotte North Carolina announced itself as a suitable city for Beaver's future team. Almost exactly one year following Governor Arne Carlson's prediction that the Twins might be called the "Charlotte Twins," the selfsame North Carolina city reemerged as another potential

home for the Twins.

When debate over how and whether to fund a stadium concluded its fourth legislative session in the spring of 1998, pro-funding Plan C emerged: give government both the terms and the timing of the debate. Failure of the referendum in North Carolina weakened the likelihood that MLB owners would approve moving the Twins franchise, despite interest in the team by Charlotte. In addition, in May 1998 Minnesota Attorney General Hubert H. ("Skip") Humphrey III had won early approval of his right to challenge in an anti-trust lawsuit MLB owners' ability to move the team. These setbacks for the Twins organization have given Minnesota legislators more time to come up with solutions whether the public wanted them to or not. Several state legislators told us off the record that pro-funding proposals failed due to the House, not the Senate, and that they believed it is only a matter of time until both chambers would agree to funding. In May of 1998 Governor Carlson encouraged making rental of the Metrodome to the Twins even more revenue friendly so that team owners would not suffer too much before a new stadium could be built. In four legislative sessions the Twins managed to go nowhere fast; in still more sessions government might take them somewhere slowly. As had happened each of the prior four years, pro-funding activists returned to the dugout to warm up yet another pitcher.

Epilogue Lessons Learned

For the Twins

Given the Twin Cities' history of providing public funding for sports arenas, the choices made by pro-stadium advocates make sense. Metropolitan Stadium, or "The Met," opened in 1956 and cost an initial \$4.5 million plus a later \$4 million expansion. The Met was financed through bonds issued by the city of Minneapolis. Despite public opposition to a taxpayer-subsidized new stadium and the belief of many that the Met was a terrific baseball stadium, in 1977 the state legislature approved \$55 million in state-issued bonds to build a replacement stadium (Klobuchar, 1982). Startup funding was supplemented by a 2% metropolitan area liquor tax. A year later a poll indicated that 82% of citizens were opposed to using taxpayer money for a new stadium, 65% wanted any new stadium built in Bloomington rather than Minneapolis, and only 38% wanted a new domed stadium. In spite of such sentiment, a commision appointed by the governor voted to recommend a domed stadium in downtown Minnepolis. The result is the Hubert H. Humphrey Metrodome.

The Target Center, home of the NBA's Minnesota Timberwolves, came into existence only with a good deal of governmental cooperation, not only from \$5.7 million on roadwork and \$15.4 million to buy the land, but also thanks to an overly optimistic finding by the Metropolitan Council that the new arena would not adversely affect the economic health of existing arenas. Construction cost overuns that tripled the original estimated cost of building the Target Center plus the competition of other arena sites led the owners in 1992 to begin to seek a government bailout. Despite public opposition to such a buyout, the Minneapolis Community Development Agency purchased the Target Center for \$54.6 million in 1995. The city has invested \$75.7 million so far in an arena appraised at being worth \$63.1 million.

Economist James Quirk's (1997) analysis indicates that in economic terms none of these investments—the Met, the Metrodome, or the Target Center—have been successful financial investments by the government. In all three cases taxpayers have essentially helped to underwrite the cost of professional sports in Minnesota. But the trend continues. In April 1998, despite the controversy involving the Twins' efforts for public funding of a new baseball stadium, the legislature approved a \$65 million interest-free loan from the state to help build a new hockey arena in St. Paul. Governor Carlson threatened to veto the state's 1998 bonding bill if it did not include the loan. The remaining cost of the arena will be covered by a contribution of \$30 million by the city, and a contribution from the hockey team, named "Minnesota Wild," of \$35 million.

So what lesson should the Twins learn from the failed public campaign of 1996-1998? We would like to refrain from saying "persistence pays off." It might. Stadia have been financed in the past by state and local government despite public opposition and flimsy economic forecasts. But this case may indeed be different. Public awareness is higher than usual and it is unlikely that state legislators could change their earlier votes without a fair amount of public scrutiny. Accordingly, we suggest that there are three lessons from the campaign to which the Twins (and other sports teams) ought to attend in future campiagn efforts:

- A campaign requires centralized decision-making and planning with a clear vision of who the target audience is and what its attitudes are.
- Private lobbying may have succeeded in the past, but teams are unwise to assume that such efforts will overcome strong community opposition.
- Sports teams must take an honest and credible case to the people. If a case for the intangible benfits and the prestige of a hometown professional baseball team cannot sway public opinion, then private financing may be the only viable option for new stadium construction.

For Grassroots Opposition Groups

Strong public opposition to the use of tax money to finance a new stadium was apparent before Progressive Minnesota went to work, so we do not want to suggest that any group will accomplish its goals if it simply studies the efforts of Progressive Minnesota and follows its lead. Nonetheless, Progressive Minnesota's efforts were textbook examples of how a social movement succeeds. The key is to frame the issues involved in a political controversy in such a way that highlights an injustice, proposes an achievable response, clearly identifies the opposition, defines the membership of the opposition group, and has a message that resonates with most or all members of the opposition group. Chapter two illustrates how Progressive Minnesota was able to accomplish each of these goals.

The success of this particular social movement indicates that a group of political "outsiders" can change the terms of debate among the public and politicians if it can find a way to reframe an issue in terms of deeply held community values. Through the use of such simple but immediately-understandable slogans as "fund kids first" and by relabelling public funding as "corporate welfare," opponents of public funding for a new stadium were able to reflect community values and focus public opposition. The success of such reframing requires grassroots movements to engage in a strategic, well-organized campaign that includes lobbying, gaining access to the media, and disseminating informational material to key decision-makers. We offer no particular lessons to Progressive Minnesota other than "keep doing what works for you."

Economic Lessons

There are two sets of economic arguments advanced for a new stadium; one says a stadium will help the local economy, and another says it will help the economic health of the Minnesota Twins. As argued at length in chapter two, we feel it is very important that citizens realize that the first of these arguments is problematic.

What about the Twins? If they are losing money don't they "deserve" public assistance? We are not convinced that they do. What Carl Pohlad's net earnings or losses on the team have been since 1984 are far from clear. According to Star-Tribune reporter Jay Weiner, Pohlad has said "he has \$120 million invested in the team; that's about \$80 million in operating losses over the past 13 years, plus the \$36 million he paid for the team in 1984'' (10/5/97). These figures are disputed by some because they may be misleading with respect to exactly what Carl Pohlad may have gained or lost. Pohlad became sole owner only in 1995, which presumably means that he did not have to absorb all pre-1995 losses by himself. Also, the market value of the team has at least doubled since it was purchased in 1984. Accordingly, even granting the potentially overestimated operating losses of the team, the financial picture for Pohlad is not as drastic as the \$120 million figure sounds. Recent reports indicate that Pohlad has been offered \$86 million for the Twins (Star Tribune 3/15/98). If one substracts this current market value from the total \$120 million, then the most Pohlad has truly lost is \$34 million. Divided over fourteen complete years of ownership, this means Pohlad has truly lost at worst an average of \$2.4 million per year.

Unfortunately, totally reliable and impartial accounting of a team's profits and losses are difficult to obtain. The magazine <u>Financial World</u> published the following figures about the Twins from 1990-1996, which are quite different that the figures reported by the Minnesota Twins themselves:

Year	Profit or Loss	Franchise Market Value
1990	+ \$0.6 million	\$81 million
1991	- \$4.1 million	83 million
1992	+ \$0.2 million	95 million
1993	+ \$1.0 million	83 million
1994	- \$9.6 million	80 million
1995	+ \$2.5 million	74 million
1996	- \$1.3 million	77 million

What is startling about these figures is that they indicate a substantial loss in 1991, a year in which the Twins won the World Series and enjoyed high attendance despite fairly average salary expenditures. Four of the seven seasons listed were profitable, but the losses in the unprofitable years outweigh those profits—even if one omits from the calculations the strike-torn year of 1994. The question is, if the Twins cannot make money in the team's best seasons, then public funding for a new stadium clearly amounts to a government subsidy of an unprofitable business.

It is clear that Pohlad is a shrewd businessperson. Is it possible that the team's recent losing seasons were no accident? By failing to invest in quality players to

field a more competitive team, the Twins put themselves in a position to break the team's lease in 1998, and successfully negotiated and new and more favorable contract. If a new stadium is built, Pohlad could reap the benefits of the new revenue streams to pay himself back a portion of past operating losses, then sell the team and turn a substantial profit. Given that Minnesotans are being asked to underwrite the team, such questions deserve an answer.

- The economic benefits of professional sports teams in general, and of a new stadium in particular, are more fiction than fact. Professional sports teams and new stadia do not create new business, they simply move money from one part of a local economy to another.
- Before large amounts of taxpayer-subsidized revenues are given to the Minnesota Twins in the form of a new stadium, the team owner should provide some sort of assurance concerning how those revenues will be invested.

Public Opinion Lessons

There is an occasional tendency in public relations to treat public opinion as uninformed and irrational. Some campaigns are based on the premise that "If you knew what I knew, you'd make the same decision" (Gaudino, Fritsch, & Haynes, 1989). Such an attitude is reflected in many of the statements by pro-stadium legislators and lobbyists. We believe such a reaction is based on a misunderstanding of public sentiment. There is no good reason to doubt that the public understands "the facts" in this case; namely, that the Twins have been losing money and without a new stadium may feel compelled to move elsewhere. It is not a question of facts but of <u>values</u>. Do taxpayers want to see public treasure invested in a for-profit baseball team? As chapter four clearly documents, the answer for the moment is a strong "no." For that answer to change, pro-stadium advocates must present the case for the intangible value of a professional hometown baseball team. Given the incredible salaries and profit orientation of professional sports, it is absurd to expect taxpayers to volunteer their money to a new stadium based on economic arguments. In a free market economy, government is not expected to subsidize what amounts to "socialized baseball." On the other hand, if enough people become convinced of the historical and social value of local professional baseball, then public opinion may be less of an obstacle to some form of public assistance.

Media Lessons

Because language is always partial and promotes one way of looking at the world as opposed to another, we do not believe that a totally "neutral" account of the news is possible in theory or in practice. Our traditional notions of "objectivity" need to be replaced with the journalistic standards of fairness and thoroughness. Based on such standards, we believe the coverage of the stadium campaign by the <u>Star</u> <u>Tribune</u> and <u>Pioneer Press</u> was generally quite good. Though individual stories and editorials could be criticized as reflecting "official" points of view rather than

citizen-oriented points of view, in general the depth and diversity of coverage served the public interest. It is more important for news media to present multiple points of view on controversial issues than it is to pose as disinterested: In this regard, the <u>Star Tribune</u>, <u>Pioneer Press</u>, and <u>City Pages</u> combined to offer the citizens of Minnesota an abundance of information and opinions.

We would be remiss, however, if we did not mention that some of our research team found certain strands of the Star Tribune's 1998 coverage annoying. Consider Steve Berg's front page article on April 3, 1998, titled "Amid a sea of ballparks, we're going against the tide." This article suggests a misinformed public took action against its better interests. The narrative emphasizes the financial aspects of a new stadium and implies that, compared to other locations that approved stadium proposals, Minnesotans are strange for opposing public funding. "In their contempt and indifference, Minnesotans have set themselves remarkably apart from other sports markets." In a full-page look at other ballparks, Berg reports that "Of the 11 metro areas discussing new baseball stadiums in the mid 1990's, only the Twin Cities has decided, apparently, not to go ahead." Such an argument ad populum (everyone else is doing it, so why not us?) is a bit insulting. In response to Berg's article, Minneapolis resident Daniel Kraker wrote in a letter to the editor that "Many communities have said 'No!' to public financing of sports stadiums. The difference, at least thus far, is that our legislators have listened Our legislators should be commended rather than vilified for upholding the citizen's will" (Star Tribune 4/8/98).

Somewhat less annoying is the once-a-month Sunday Star Tribune feature called "The last Hurrah?" that profiles "how a possible move will affect the lives of people connected to the team." From Twins' players Paul Molitor and Kent Hrbeck to the equipment manager to Wally the Beerman to loyal fans and player wives, this fullpage collection of short features gives readers a closer, more personal look at the stadium issue. The coverage functions as a form of advertising for the team and a new stadium and is clearly designed to win sympathy for the Twins. One feature begins "Darell Cunningham, the Twins' community affairs manager, was on a trip to Camp Heartland, the charitable organization that gives kids with HIV or AIDS the experience of attending summer camp, when he was asked whether the atmosphere around the Twins had improved" (6/7/98). The stores are printed in the sports section of the paper where hometown loyalties are traditional and the persuasive dimension of such coverage is so blatant that is unlikely to manipulate anyone. If such coverage reminds fans of sentimental attachments to the team, then so be it. At the same time, readers should also recognize that such features do not address the political and economic rationales that led many to oppose public funding for a new stadium. Indeed, as most of the surveys discussed in chapter four indicate, people can be pro-Twins while oppose what they see as corporate welfare.

Lessons for the Citizens of Minnesota

We believe that the most important lesson of the 1996-1998 campaign and its aftermath is for the citizens of Minnesota. Whether one is a fan of baseball or not, we believe that the legislative vote in November 1997 against public funding for a new baseball stadium was an important victory for representative democracy in Minnesota. The manner in which the Twins' request became a public issue with a good deal of media attention is preferable to the ways in which past deals have been made between local government and professional sports teams.

There are two competing notions of democracy at work in our society that are clearly visible in the stadium controversy. We do not live in an Athenian-like direct democracy. We are ruled by an elite group of individuals who are allegedly accountable to the people. Political theorists Thomas R. Dye and L. Harmon Zeigler (1993) have suggested that those who govern tend to fall into two distinct categories, trustees and delegates. Trustees tend to follow the dictates of their conscience rather than the wishes of their constituents. Trustees often appear to believe that communication with their constituents is not a prerequisite to effective decision making. The voting behavior of such a legislator will not necessarily reflect the voters' desires but, rather the legislator's perception of constituents' needs. Delegates, on the other hand, believe that they must act according to the wishes of their constituency. According to Dye and Zeigler, most elected legislators fall into the trustee category. Most of the time, competition between trustees and delegates is a desirable part of the checks and balances built into our structure of governance. Short-term public fears or prejudices can sometimes lead to anti-democratic public policy if unchecked, which is why Dye and Zeigler title their book The Irony of <u>Democracy</u> (1993).

Of course the problem with the trustee approach to representation is that it can become an excuse for dismissing public opinion and labelling counter-elites like senator John Marty as a demagogue. Senator Marty not only has represented public will, he has consistently and persistently raised concerns and perspectives we have found to be legitimate. We believe he has played an important role in keeping the delegate philosophy alive and well and thus has fostered the democratic process in the state.

As we noted in the introduction, the story of the Twins efforts to gain public funding for a new stadium is not over. The important question for the citizens of Minnesota to consider is whether such action will take place with or without public involvement and support. It is too early to assume that the legislature will refuse to endorse public funding in the future. The Senate is traditionally a trustee stronghold due to legislators' comparative distance from their voting public. Among the senators we interviewed, two stated that there was no way the Twins stadium would ever have passed in both the House and the Senate. Five of the senators suggested that not only would a Twins stadium proposal have passed the Senate, but they support such a proposal. Seven of the senators represented a sort of middle ground, suggesting that the stadium campaign reception would have been significantly altered had the Twins approached the issue in a different way. In short, the battle between trustee and delegate philosophies of representation is far from over, both in general and with respect to public stadium funding in particular.

Their personal preferences notwithstanding, most of the twenty legislators interviewed for this study believe the stadium campaign failed because the public was opposed to it and any legislators that voted against "the public" would not retain their legislative position when re-election time came around. In other words, when an issue receives enough attention and is important enough to voters, even trustees must heed the public's wishes. Thus, the final lesson we take from the 1996-1998 public campiagn is that the citizens of Minnesota will get the quality of representative democracy that they insist on. If we do not continue to make our preferences known to local government and the state legislature, we can assume that those with power and influence certainly will.

Appendix 1

Summary of the Twins' January 1997 Proposed Financing Plan

Following is a nonbinding letter of intent which represents the collective positions of the parties, which will be embodied in a proposal to be presented to the legislature.

I. Project Summary

The Public Authority will construct a state-of-the-art ballpark in the Twin Cities metropolitan area by the Year 2001. The program elements and specifications of ballpark will be similar to those included in the ballpark model presented by the Minnesota Twins and Ellerbe Becket.

The parties agree a retractable roof would provide:

(1) greater use of the facility

(2) substantially increased revenue generation from the project

(3) assurance that events will occur as scheduled, and

(4) a broadening of the Minnesota Twins market to greater Minnesota and out-ofstate Minnesota Twins fans. The parties further agree to support legislative review to determine whether an acceptable financing mechanism can be obtained to support a retractable roof.

II. Pohlad Family Project Funding

A. The Pohlads will make a \$15 million charitable gift of cash or marketable securities to be paid on Opening Day or sooner, at the Pohlads option.
B. Up to \$25 million of up-front project revenues will be used to fund the ballpark. These revenues will include naming rights, concessionaire payments and other project capital opportunities.

III. Public Authority Ownership

The Pohlads agree, subject to MLB approval (such approval is not certain), to provide the Public Authority with a 49 percent ownership interest in the Twins Partnership, worth in excess of \$51.4 million. The parties will obtain qualified appraisals to support the valuation. The Public Authority interest in the Twins Partnership will have the following key attributes:

The ability to obtain control of 100 percent of the team through a buy/sell agreement. Allocation of 49 percent of Twins Partnership operating profits. Disproportionately favorable allocation of Minnesota Twins franchise appreciation. No liability for operating losses. Control over franchise relocation. Following are the details of the above key attributes of the Public Authority's partnership interest.

A. Buy/Sell Agreement On Opening Day, the Pohlads will enter into a buy/sell agreement with the State at a price of \$105 million, subject to any adjustments in paragraph 3. below. 1. Buy/Sell Period - The Pohlads may sell the club to the State

after five years from Opening Day, or April 1, 2006, whichever is earlier. The Pohlads must provide a one-year notice of their intent to exercise their option under the buy/sell agreement.

If a suitable buyer is not found, the State will nevertheless be obligated to purchase the Twins Partnership, recognizing that the Pohlad family may be required to maintain control and a minimal (1 percent) interest in the Twins Partnership until a suitable investor is found. (MLB will not allow the public to control a team.) In order to protect its investment, the State may purchase the team in the event the franchise value declines by at least 10 percent below \$105 million, subject to appraisals agreeable by both parties and subject to MLB approval.

1. State Commitment - The State's commitment to purchase the Twins Partnership must be in a form acceptable to the Pohlads, which will be specified in a definitive contractual agreement. It is understood that such agreement is necessary to support the intended economics and financing of this transaction. 3. Buy/Sell Amount - The Pohlads will participate in franchise appreciation of 10 percent of any appreciation above \$105 million as of the fourth year in the new ballpark. As an incentive for the Pohlads to continue to own and operate the franchise, the appreciation sharing percentage shall increase an additional 2.5 percent each year after the fourth year in the new ballpark, up to a maximum sharing percentage of 25 percent.

B. Profit Sharing

The Pohlads agree that the Public Authority shall receive a 49 percent share of operating profits of the Twins Partnership, as described below. This 49 percent allocation shall represent a percentage rent payment for occupying the new ballpark. If an admissions tax or ticket surcharge is imposed (which becomes a priority return to the public sector), remaining profits will be shared in order to achieve the desired 51/49 percent relationships. In the event a ticket tax is not imposed, a priority rent payment will be made to the Public Authority in the amount of \$1.6 million annually.

The Twins Partnership revenues will be paid out in the following order:

1. Operating expenses of the Minnesota Twins, including the service of club debt (the debt will not exceed \$21 million, unless by mutual agreement and excluding seasonal working capital requirements).

2. Operating expenses of the ballpark.

2. Funding of a capital improvement fund of no more than \$700,000 per year, except as modified by mutual agreement.

3. Payment of the remaining Twins Partnership revenues will be as follows:

a. 51 percent to the Pohlads.

b. 49 percent to the Public Authority.

5. If actual operating results exceed projections, the Pohlads will receive an incentive payment (to be determined).

C. Operating Losses

The Pohlads will assume the risk of funding operating losses of the Minnesota Twins. Such losses will not be reimbursable.

IV. General Partner

The Pohlads will be the controlling general partner. There will be no compensation, management fees or payments to the general partner other than through the general partner's 51 percent allocation of operating profits and any incentive payment described in paragraph III.B.5. above.

V. Metrodome Lease Enhancements

As a condition of this agreement, the current Minnesota Twins lease in the Metrodome shall be amended to provide lease benefits in an amount equal to or greater than the amount of the admissions tax paid by the Minnesota Twins.

VI. Project Financing Option

In the event the parties and the legislators agree to pursue funding options for the retractable roof, the Pohlads would commit to provide project financing of \$82.5 million, repayable over 15 years, without regard to any exercise under the buy/sell agreement. The financing would be structured under the following terms:

A. Principal: \$82.5 million.

B. Interest rate: 7.5 percent per year.

C. Years 1-5: Interest payments only.

D. Years 6-15: Interest and full amortizing principal payments.

E. Creditor: State of Minnesota Aguaranteed contractual commitment.

F. Collateral: First mortgage on ballpark.

G. Funding date: The advance of funds would represent the last dollars used to fund the construction project.

VII. Franchise Control

MLB requires that control of the Minnesota Twins remain with the Pohlads until a suitable successor is found. MLB explicitly prohibits public control over the franchise. The Pohlads represent that they will continue to operate the club in a manner consistent with past practices, recognizing that one of the benefits of the new ballpark is to use newly generated revenues to field a more competitive team. In addition to the Pohlads representation regarding operating the franchise, the following control mechanisms are imbedded in this proposed structure:

A. By sharing operating profits with the Public Authority on a 51:49 basis, the Pohlads and the Public Authority will both share in the benefits of operating the team in a fiscally responsible manner.

B. The parties will mutually agree to draft language to provide safeguards towards achieving profitable operation of the Twins Partnership, which would benefit both the Pohlads and the Public Authority.

C. By sharing in franchise appreciation, the Pohlads will have financial incentive to build franchise value in the Twins Partnership, which would benefit both the Pohlads and the Public Authority.

D. The Public Authority will be represented in the budgeting process.

VIII. Joint Decisions

The Public Authority and the Pohlads will jointly determine the following: A. Site selection.

B. Program elements of the ballpark (capacity, suites, club seats, clubs, amenities, etc.)

C. Ballpark design and selection of the project construction team.

D. Use of permanent seat licenses (PSLs) as a financing component.

IX. Twins Partnership Obligations

A. The Twins Partnership will enter into a management contract with the Public Authority whereby the Twins Partnership will be responsible for the operation of the ballpark and for the marketing of the revenue components of the project, as well as other contractual arrangements such as naming rights, up-front vendor agreements, etc., on behalf of the Public Authority. The management contract will hold the Twins Partnership accountable for performance, and provide the Public Authority both review and oversight over related marketing strategies of the project.

B. The Twins Partnership will use their best efforts to obtain MLB agreement for an All-Star game in the new stadium within the first eight years of operations.C. The Twins Partnership will enter into a 30-year lease with the Public Authority to play all home games (including post-season play) at the new ballpark.

D. Management of the Twins Partnership will use their best efforts to obtain additional construction funds from MLB.

E. The Twins Partnership will be obligated to satisfy any required sale of the partnership pursuant to paragraph III.A.1. above.

X. Public Authority Obligations

A. Assembly of a site.

A. Cause the construction of the ballpark to proceed with reasonable diligence in order to meet a completion date of Opening Day 2001.

B. The parties agree to support legislation to limit the exposure of any project cost overruns by providing the Public Authority to proceed under a design/build or construction management process with the stated goal of controlling construction costs to a guaranteed maximum price.

C. Responsibility for capital repairs, improvements, and ballpark enhancements and betterments necessary to maintain the facility as a state-of-the-art facility, to the extent such costs exceed the funded capital improvement fund, subject to mutual agreement of the parties.

D. Facilitate the Twins Partnerships efforts to sell the revenue components of the facility.

E. Facilitate the sale of the club if and when the Pohlads exercise their rights under the buy/sell agreement.

F. The parties agree to support a legislative mandate for intended legislation which shall provide for no strike and no lockout agreements with all parties to a term project agreement.

XI. Participation of the Business Community

It is the intent of the Pohlads and the Public Authority to engage the support of the business sector in the development of a new stadium. This could include, but not be limited to, commitments to purchase season tickets, PSLs, any debt offerings related to the financing of the facility, stock in the Twins Partnership, or corporate sponsorships. Commitments from the business community will be sought prior to the commencement of construction of the facility as follows:

A. The sale of 80 percent of the luxury suites for ten seasons and 80 percent of the club seats, by December 31, 1997, or the Pohlads and the Public Authority can terminate the deal. The sale of 22,000 season tickets in the new ballpark by December 31, 1997, or the Pohlads and the Public Authority can terminate the deal.
B. The sale of PSLs (subject to joint decisions and determination of amount) by December 31, 1997, or the Pohlads and the Public Authority can terminate the deal.

XII. Related Development

If the site identified for the ballpark includes the potential or additional development, including development adjacent and in close proximity to the ballpark, any related fees or revenues earned therefrom will become revenues of the Twins Partnership.

It is anticipated that local units of government (city and county) will provide the land for the construction site, together with incremental income generated on an annual basis, which would not exist but for the construction of the ballpark, from sources such as entertainment tax and credits to fiscal disparity payments. To the extent such payments do not total \$3 million annually, increased by the CPI, the Public Authority shall make up any shortfall between the actual amount received by the Twins Partnership and the projected amount derived from the above formula.

XIII. Operating Expenses

The costs of running the Public Authority will be an annual expense of the Public Authority to be funded by the Public Authority's share of operating profits or from other public financing sources.

XIV. Income Tax and Revenue Sharing Considerations

This transaction will be structured and agreements will be drafted in a manner which protects the income tax and revenue sharing positions which are an integral part of the economics of this proposed plan.

Appendix 2

Analysis of Correlations among Attendance, Win/Loss, and Player Payroll Expenditures.

Statistical analysis of salary, attendance, and winning percentage data of the five teams analyzed in The Report conducted by Minnesota Wins.

Data By Cate	gorv						
Attendance	1985	1986	1987	1988	1989	1990	1991
Baltimore	2,132,387	1,973,176	1,835,692	1,660,738	2,535,738	2,415,189	2,552,753
Chicago	1,669,888	1,424,313	1,208,060	1,115,749	1,045,651	2,002,357	2,934,154
Cleveland	655,181	1,471,805	1,077,898	1,411,610	1,285,542	1,225,240	1,051,863
Texas	1,112,497	1,692,002	1,763,053	1,581,901	2,043,993	2,057,911	2,297,720
Minnesota	1,651,814	1,255,453	2,081,976	3,030,672	2,277,438	1,751,584	2,293,842
Salary							
Baltimore	12,379,429	11,108,300	13,434,895	11,260,404	10,944,500	7,985,584	14,396,669
Chicago	13,478,225	9,363,040	8,987,415	7,306,952	9,058,909	9,843,529	16,694,979
Cleveland	6,623,133	7,195,000	7,955,250	10,044,500	10,064,500	13,820,000	13,133,428
Texas	8,101,222	5,768,119	6,342,718	6,860,500	10,759,280	12,617,333	22,525,314
Minnesota	7,238,667	8,896,000	13,271,956	12,892,300	14,253,000	13,528,000	22,514,814
Win							
Percentage							
Baltimore	.516	.451	.414	.335	.537	.472	.414
Chicago	.525	.444	.475	.441	.429	.580	.537
Cleveland	.370	.519	.377	.481	.451	.475	.352
Texas	.385	.537	.463	.435	.512	.512	.525
Minnesota	.475	.438	.525	.562	.494	.457	.586
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Attendance	1992	1993	1994	1995	1996	1997	na sense and an
Attendance Baltimore	1992 3,567,819	1993 3,644,965	1994 2,535,359	1995 3,098,475	1996 3,646,950	1997 3,711,132	823 4000, 910, 013, 10, 974 600, 998 999 999 10 40
Baltimore	3,567,819	3,644,965	2,535,359	3,098,475	3,646,950	3,711,132	
Baltimore Chicago	3,567,819 2,681,156	3,644,965 2,581,091	2,535,359 1,697,398	3,098,475 1,609,773	3,646,950 1,676,403	3,711,132 1,864,782	
Baltimore Chicago Cleveland	3,567,819 2,681,156 1,224,274	3,644,965 2,581,091 2,177,908	2,535,359 1,697,398 1,995,174	3,098,475 1,609,773 2,842,745	3,646,950 1,676,403 3,318,174	3,711,132 1,864,782 3,404,750	
Baltimore Chicago Cleveland Texas	3,567,819 2,681,156 1,224,274 2,198,231	3,644,965 2,581,091 2,177,908 2,244,616	2,535,359 1,697,398 1,995,174 2,503,198	3,098,475 1,609,773 2,842,745 1,985,910	3,646,950 1,676,403 3,318,174 2,889,020	3,711,132 1,864,782 3,404,750 2,945,228	
Baltimore Chicago Cleveland Texas Minnesota	3,567,819 2,681,156 1,224,274 2,198,231	3,644,965 2,581,091 2,177,908 2,244,616	2,535,359 1,697,398 1,995,174 2,503,198	3,098,475 1,609,773 2,842,745 1,985,910	3,646,950 1,676,403 3,318,174 2,889,020	3,711,132 1,864,782 3,404,750 2,945,228	
Baltimore Chicago Cleveland Texas Minnesota Salary	3,567,819 2,681,156 1,224,274 2,198,231 2,482,428	3,644,965 2,581,091 2,177,908 2,244,616 2,048,673	2,535,359 1,697,398 1,995,174 2,503,198 1,398,565	3,098,475 1,609,773 2,842,745 1,985,910 1,057,667	3,646,950 1,676,403 3,318,174 2,889,020 1,437,352	3,711,132 1,864,782 3,404,750 2,945,228 1,411,064	
Baltimore Chicago Cleveland Texas Minnesota Salary Baltimore	3,567,819 2,681,156 1,224,274 2,198,231 2,482,428 23,023,330	3,644,965 2,581,091 2,177,908 2,244,616 2,048,673 29,164,000	2,535,359 1,697,398 1,995,174 2,503,198 1,398,565 38,711,487	3,098,475 1,609,773 2,842,745 1,985,910 1,057,667 48,739,636	3,646,950 1,676,403 3,318,174 2,889,020 1,437,352 55,127,855	3,711,132 1,864,782 3,404,750 2,945,228 1,411,064 58,706,399	
Baltimore Chicago Cleveland Texas Minnesota Salary Baltimore Chicago	3,567,819 2,681,156 1,224,274 2,198,231 2,482,428 23,023,330 29,524,500	3,644,965 2,581,091 2,177,908 2,244,616 2,048,673 29,164,000 39,368,498	2,535,359 1,697,398 1,995,174 2,503,198 1,398,565 38,711,487 40,144,836	3,098,475 1,609,773 2,842,745 1,985,910 1,057,667 48,739,636 40,750,782	3,646,950 1,676,403 3,318,174 2,889,020 1,437,352 55,127,855 44,827,833	3,711,132 1,864,782 3,404,750 2,945,228 1,411,064 58,706,399 39,368,498	
Baltimore Chicago Cleveland Texas Minnesota Salary Baltimore Chicago Cleveland	3,567,819 2,681,156 1,224,274 2,198,231 2,482,428 23,023,330 29,524,500 8,399,711	3,644,965 2,581,091 2,177,908 2,244,616 2,048,673 29,164,000 39,368,498 15,783,167	2,535,359 1,697,398 1,995,174 2,503,198 1,398,565 38,711,487 40,144,836 31,705,667	3,098,475 1,609,773 2,842,745 1,985,910 1,057,667 48,739,636 40,750,782 40,180,750	3,646,950 1,676,403 3,318,174 2,889,020 1,437,352 55,127,855 44,827,833 47,615,507	3,711,132 1,864,782 3,404,750 2,945,228 1,411,064 58,706,399 39,368,498 56,740,056	
Baltimore Chicago Cleveland Texas Minnesota Salary Baltimore Chicago Cleveland Texas	3,567,819 2,681,156 1,224,274 2,198,231 2,482,428 23,023,330 29,524,500 8,399,711 25,323,000	3,644,965 2,581,091 2,177,908 2,244,616 2,048,673 29,164,000 39,368,498 15,783,167 35,656,739	2,535,359 1,697,398 1,995,174 2,503,198 1,398,565 38,711,487 40,144,836 31,705,667 32,399,097	3,098,475 1,609,773 2,842,745 1,985,910 1,057,667 48,739,636 40,750,782 40,180,750 35,888,726	3,646,950 1,676,403 3,318,174 2,889,020 1,437,352 55,127,855 44,827,833 47,615,507 41,080,028	3,711,132 1,864,782 3,404,750 2,945,228 1,411,064 58,706,399 39,368,498 56,740,056 35,656,739	
Baltimore Chicago Cleveland Texas Minnesota Salary Baltimore Chicago Cleveland Texas Minnesota Win Percentage	3,567,819 2,681,156 1,224,274 2,198,231 2,482,428 23,023,330 29,524,500 8,399,711 25,323,000 26,222,830	3,644,965 2,581,091 2,177,908 2,244,616 2,048,673 29,164,000 39,368,498 15,783,167 35,656,739 26,802,933	2,535,359 1,697,398 1,995,174 2,503,198 1,398,565 38,711,487 40,144,836 31,705,667 32,399,097 25,053,237	3,098,475 1,609,773 2,842,745 1,985,910 1,057,667 48,739,636 40,750,782 40,180,750 35,888,726 15,362,750	3,646,950 1,676,403 3,318,174 2,889,020 1,437,352 55,127,855 44,827,833 47,615,507 41,080,028 21,254,000	3,711,132 1,864,782 3,404,750 2,945,228 1,411,064 58,706,399 39,368,498 56,740,056 35,656,739 26,802,933	
Baltimore Chicago Cleveland Texas Minnesota Salary Baltimore Chicago Cleveland Texas Minnesota Win Percentage Baltimore	3,567,819 2,681,156 1,224,274 2,198,231 2,482,428 23,023,330 29,524,500 8,399,711 25,323,000 26,222,830	3,644,965 2,581,091 2,177,908 2,244,616 2,048,673 29,164,000 39,368,498 15,783,167 35,656,739 26,802,933	2,535,359 1,697,398 1,995,174 2,503,198 1,398,565 38,711,487 40,144,836 31,705,667 32,399,097 25,053,237	3,098,475 1,609,773 2,842,745 1,985,910 1,057,667 48,739,636 40,750,782 40,180,750 35,888,726 15,362,750	3,646,950 1,676,403 3,318,174 2,889,020 1,437,352 55,127,855 44,827,833 47,615,507 41,080,028 21,254,000	3,711,132 1,864,782 3,404,750 2,945,228 1,411,064 58,706,399 39,368,498 56,740,056 35,656,739 26,802,933	
Baltimore Chicago Cleveland Texas Minnesota Salary Baltimore Chicago Cleveland Texas Minnesota Win Percentage Baltimore Chicago	3,567,819 2,681,156 1,224,274 2,198,231 2,482,428 23,023,330 29,524,500 8,399,711 25,323,000 26,222,830 .549 .531	3,644,965 2,581,091 2,177,908 2,244,616 2,048,673 29,164,000 39,368,498 15,783,167 35,656,739 26,802,933 .525 .580	2,535,359 1,697,398 1,995,174 2,503,198 1,398,565 38,711,487 40,144,836 31,705,667 32,399,097 25,053,237	3,098,475 1,609,773 2,842,745 1,985,910 1,057,667 48,739,636 40,750,782 40,180,750 35,888,726 15,362,750 .493 .493 .472	3,646,950 1,676,403 3,318,174 2,889,020 1,437,352 55,127,855 44,827,833 47,615,507 41,080,028 21,254,000	3,711,132 1,864,782 3,404,750 2,945,228 1,411,064 58,706,399 39,368,498 56,740,056 35,656,739 26,802,933	
Baltimore Chicago Cleveland Texas Minnesota Salary Baltimore Chicago Cleveland Texas Minnesota Win Percentage Baltimore Chicago Cleveland	3,567,819 2,681,156 1,224,274 2,198,231 2,482,428 23,023,330 29,524,500 8,399,711 25,323,000 26,222,830 .549 .531 .469	3,644,965 2,581,091 2,177,908 2,244,616 2,048,673 29,164,000 39,368,498 15,783,167 35,656,739 26,802,933 .525 .580 .469	2,535,359 1,697,398 1,995,174 2,503,198 1,398,565 38,711,487 40,144,836 31,705,667 32,399,097 25,053,237 .563 .593 .584	3,098,475 1,609,773 2,842,745 1,985,910 1,057,667 48,739,636 40,750,782 40,180,750 35,888,726 15,362,750 .493 .472 .694	3,646,950 1,676,403 3,318,174 2,889,020 1,437,352 55,127,855 44,827,833 47,615,507 41,080,028 21,254,000	3,711,132 1,864,782 3,404,750 2,945,228 1,411,064 58,706,399 39,368,498 56,740,056 35,656,739 26,802,933 .605 .497 .534	
Baltimore Chicago Cleveland Texas Minnesota Salary Baltimore Chicago Cleveland Texas Minnesota Win Percentage Baltimore Chicago	3,567,819 2,681,156 1,224,274 2,198,231 2,482,428 23,023,330 29,524,500 8,399,711 25,323,000 26,222,830 .549 .531	3,644,965 2,581,091 2,177,908 2,244,616 2,048,673 29,164,000 39,368,498 15,783,167 35,656,739 26,802,933 .525 .580	2,535,359 1,697,398 1,995,174 2,503,198 1,398,565 38,711,487 40,144,836 31,705,667 32,399,097 25,053,237	3,098,475 1,609,773 2,842,745 1,985,910 1,057,667 48,739,636 40,750,782 40,180,750 35,888,726 15,362,750 .493 .493 .472	3,646,950 1,676,403 3,318,174 2,889,020 1,437,352 55,127,855 44,827,833 47,615,507 41,080,028 21,254,000	3,711,132 1,864,782 3,404,750 2,945,228 1,411,064 58,706,399 39,368,498 56,740,056 35,656,739 26,802,933	

Data By Tear	n						
Baltimore	1985	1986	1987	1988	1989	1990	1991
Attendance	2,132,387	1,973,176	1,835,692	1,660,738	2,535,738	2,415,189	2,552,753
Salary	12,379,429	11,108,300	13,434,895	11,260,404	10,944,500	7,985,584	14,396,669
Win Percentage	.516	.451	.414	.335	.537	.472	.414
	10 10						
Chicago							
Attendance	1,669,888	1,424,313	1,208,060	1,115,749	1,045,651	2,002,357	2,934,154
Salary	13,478,225	9,363,040	8,987,415	7,306,952	9,058,909	9,843,529	16,694,979
Win Percentage	.525	.444	.475	.441	.429	.580	.537
Cleveland							
Attendance	655,181	1,471,805	1,077,898	1,411,610	1,285,542	1,225,240	1,051,863
Salary	6,623,133	7,195,000	7,955,250	10,044,500	10,064,500	13,820,000	13,133,428
Win Percentage	.370	.519	.377	.481	.451	.475	.352
whiti i creentage	.070	.017	.077			.170	.002
Texas							
Attendance	1,112,497	1,692,002	1,763,053	1,581,901	2,043,993	2,057,911	2,297,720
Salary	8,101,222	5,768,119	6,342,718	6,860,500	10,759,280	12,617,333	22,525,314
Win Percentage	.385	.537	.463	.435	.512	.512	.525
Minnesota							
Attendance	1,651,814	1,255,453	2,081,976	3,030,672	2,277,438	1,751,584	2,293,842
Salary	7,238,667	8,896,000	13,271,956	12,892,300	14,253,000	13,528,000	22,514,814
Win Percentage	.475	.438	.525	.562	.494	.457	.586
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Baltimore	1992	1993	1994	1995	1996	1997	
Attendance	3,567,819	3,644,965	2,535,359	3,098,475	3,646,950	3,711,132	
Salary	23,023,330	29,164,000	38,711,487	48,739,636	55,127,855	58,706,399	
Win Percentage	.549	.525	.563	.493	.543	.605	
Chicago							
Attendance	2,681,156	2,581,091	1,697,398	1,609,773	1,676,403	1,864,782	
Salary	29,524,500	39,368,498	40,144,836	40,750,782	44,827,833	39,368,498	
Win Percentage	.531	.580	.593	.472	.525	.497	
			.070	1 2 / 24	10,20	. 171	
Cleveland		A	4.000		o *** · · · ·		
Attendance	1,224,274	2,177,908	1,995,174	2,842,745	3,318,174	3,404,750	
Salary	8,399,711	15,783,167	31,705,667	40,180,750	47,615,507	56,740,056	
Win Percentage	.469	.469	.584	.694	.615	.534	
Texas							
Attendance	2,198,231	2,244,616	2,503,198	1,985,910	2,889,020	2,945,228	
Salary	25,323,000	35,656,739	32,399,097	35,888,726	41,080,028	35,656,739	
Win Percentage	.475	.531	.456	.514	.556	.475	
Minnesota							
Attendance	2,482,428	2,048,673	1,398,565	1,057,667	1,437,352	1,411,064	
	2,482,428 26,222,830	2,048,673 26,802,933	1,398,565 25,053,237	1,057,667 15,362,750	1,437,352 21,254,000	1,411,064 26,802,933	

Standardized Score Calculation

Attendance and Winning Percentage: To represent annual salary expenditures, fan attendance, and winning percentage on the same graph, all variables were converted to standardized scores (mean = zero, standard deviation = one). For fan attendance and winning percentage variables the standardization process entailed subtracting the mean of each variable (for the 15-year span) from the value for each year, then dividing the result by the standard deviation (for the 15-year span). For example, to get the standardized score for the Twins attendance in 1992, the average attendance over the 15-year period (1,859,887) was subtacted from the attendance figure for that year (2,482,428). The result was then divided by the standard deviation for the 15-year period (567,351) to yield the standardized score for Twins attendance in 1992 (1.097).

Salary: To compute standardized scores for the salary data a slightly different technique was used. The goal was to compare the yearly salary expenditures of each team to the spending of other teams for each year in the sample. To accomplish this an average salary variable was created by summing the salary expenditures of each team in each year and dividing by the number of teams (five). The five-team average salary for each year was then subtracted from the salary figures for each team for each of the 15 years reported. This process yielded deviation scores for each team for each year. For example, in 1995 the Twins spent \$15,362,750 on players' salaries compared to the five-team average salary for 1995 which was \$36,184,529 resulting in a deviation score of -20,821,779 for the Twins for that year. After deviation scores were calculated for each team for each year, those deviation scores were standardized by subtracting the mean deviation (that is, the average deviation over the 15year period) from the deviation score for each year and divided by the standard error of the deviation scores. This process yielded standardized scores for each team's salary expenditures which could then be plotted on the same graph with the standardized fan attendance and winning percentage scores.

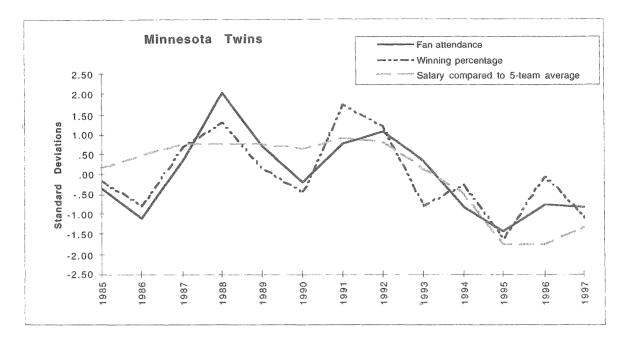
Interpretation of Standardized Scores

Standardized scores (also called z-scores) are useful for understanding how far a particular value is from the average or "normal" score for that variable. As a general rule, the farther from zero a particular score is (negative or positive), the more deviant that score is considered to be. The question is, how different from zero does a z-score have to be before we consider it to be truly deviant instead of just a score which is a little low or high due to chance? To answer this question we look to the probabilities of occurance for different levels of z-scores. For example, when we consider winning percentages for each team we might expect that most teams will win about of half of their games, give or take a few percentage points. Likewise we might also suspect that the chances of a team winning 70 percent of its games are pretty slim or at least lower than the chances of a team winning half of its games.

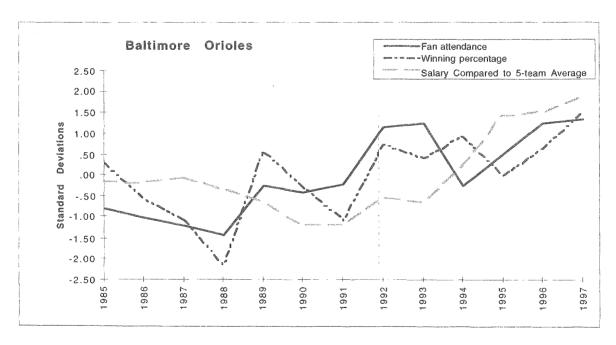
Using z-scores allows us to estimate the probability or chances of the occurrence of a particular score compared to what we expect the "normal" scores to be (this is why z-scores are sometimes referred to as "normalized" scores). Just as we expect most teams to have a winning percentage between about .45 and .55, we can estimate the chances of obtaining certain z-scores. For example, we expect approximately 68 percent of all z-scores to fall between -1 and 1. That is, only 32 percent of all scores will be greater than an absolute value of one. Moving further away from zero (which is the average or "normal" value for z-scores), we expect a little over 95 percent of all z-scores to fall between -2 and 2. Once again this means that a z-score outside of that range (less than -2 or greater than 2) has only a 5 percent chance of occurance.

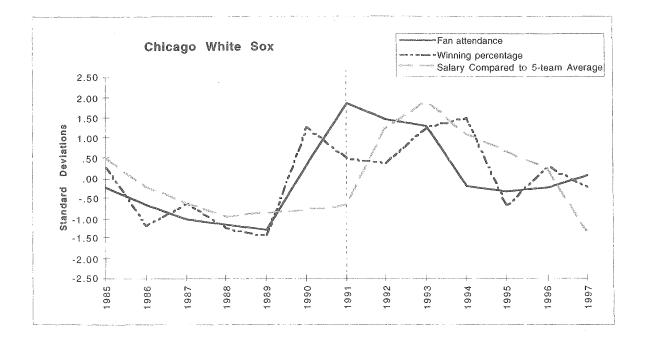
In response to the question "How big does a z-score have to be before we consider it to be significantly different from the average?" most social scientists will respond, "about 1.96," which is the z-score which marks the 95th percentile. That is, any z-score larger than the absolute value of 1.96 has only a 5 percent chance of occurance. Therefore, if a team's z-score for winning percentage falls below -1.96 or above 1.96 (as the Texas Ranger's winning percentage score does in 1985, z=-2.207) we can conclude that the score is a significantly rare occurance. In practical terms, we might say that the Rangers had a significantly poor winning percentage in 1985 because teams are expected to do that poorly less than 5 percent of the time.

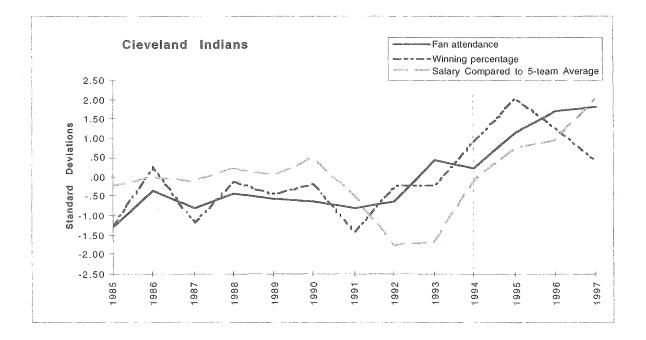
On each of the graphs below, the vertical axis represents z-scores, or the number of standard deviations a particular score is above or below the average or "normal" score of zero.

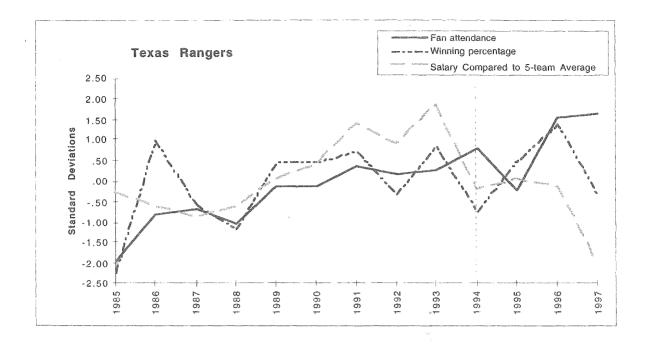


Note: The dotted vertical line on the graphs for Baltimore, Chicago, Cleveland and Texas represent the years in which those teams opened new stadiums.









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