

The St. Louis Rams: The Greatest Public Financing Show on Earth

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Introduction

This case study research explores how and why the National Football League (NFL) Rams both arrived in St. Louis (1995) and departed St. Louis (2016). In order to address these questions, through archival and secondary data, the research examines the unique interrelated history of St. Louis and the NFL, including both economics and public financing.¹

Case studies are utilized in answering “how” and/or “why” questions, particularly when the researcher has minimal to no control over events and the primary focus is on contemporary phenomenon within a reality context. These types of case studies are often explanatory in nature, complemented by exploratory and descriptive research. In general, the how and why require researchers to follow operational links over time, instead of isolated occurrences.²

NFL Economics

Even though the NFL is economically the largest professional sports team league in America and substantially bigger than its closest competitor,

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¹ In order to more fully understand this article, please first read: Eric Click, “One Development Project, Two Economic Tales: The St. Louis Cardinals’ Busch Stadium and Ballpark Village,” *Missouri Policy Journal* 2 (Fall/Winter 2014): 21-34. <http://www.lindenwood.edu/moPolicyJournal/issue02/articles/lick/click.pdf>.

² Robert K. Yin, *Case Study Research: Designs and Methods*, 3rd ed. (Thousand Oaks, CA: Sage, 2003), 1-6.

Major League Baseball (MLB), dedicated academic economic NFL literature is relatively small, especially in comparison to MLB. However, academic economic NFL literature is starting to increase, both in frequency and relevance.³ Relative to the NFL economic structure, John Vrooman, Professor of Economics at Vanderbilt University, states,

Sports leagues are unique in that individual clubs are mutually interdependent in their cooperative production of competitive games. As joint members of natural cartels each sports team is only as strong as its weakest opponent. Over the last half century the National Football League (NFL) has become the most economically powerful sports league in the world largely because it has also been the most egalitarian. In 2010 NFL clubs pooled and shared two-thirds of over \$8 billion in revenues among 32 franchises. The underlying source of NFL economic strength has been a survivalist “league-think” mentality that developed from the outset of the NFL-AFL war 1960–1966. Evenly shared national media money has grown at a compound rate of 12% from \$47 million annually at the time of the actual NFL merger in 1970 to \$4 billion under 2012–2013 TV contract extensions. Over the last 2 decades, however, a major threat to league-thinking solidarity has merged from an individualist counterrevolution in unshared venue revenue. During the luxury-seat stadium building frenzy that followed the watershed 1993 Collective Bargaining Agreement (CBA), the proportion of team-specific venue revenue has doubled from 10 to 20% of total revenue. This once-tight syndicate now finds itself split into those teams with new venues and those without.⁴

³ Kevin G. Quinn, “Introduction,” in *The Economics of the National Football League: The State of the Art*, ed. Kevin G. Quinn, Sports Economics, Management and Policy 3, series ed. Dennis Coates (New York: Springer, 2012), 1-3.

⁴ John Vrooman, “The Economic Structure of the NFL,” in *The Economics of the National Football League: The State of the*

Even before the most recent CBA, from 1991 through 2011, NFL team values increase over 12%, while profits grow 7.7%. Relative to these figures, owners are leveraging their teams better, including inclusion in large entertainment complexes.⁵ Referring to NFL franchise values, locations, and stadium economics, Jason Winfree, Associate Professor at the University of Idaho in the Department of Agricultural Economics and Rural Sociology, concludes,

This study goes on to investigate how a team's stadium is related to this value. While media contracts explain part of the increasing values of NFL teams, new stadiums also play a crucial role. However, the public does not see the same economic benefits as the team, even though they often pay for a large part of the stadium. Because of the market structure of the NFL, they are able to extract public funds for these stadiums. Thus, even though fans may not want their team to leave, it is difficult to see stadium subsidies as a good economic investment.⁶

However, according to Taxpayers Protection Alliance (TPA), a non-profit non-partisan organization, from 1995 through 2015, 29 out of 31 NFL stadiums received public subsidies, totaling nearly \$7 billion.⁷ In addition, according to Brookings Institution, an independent nonprofit public policy organization, since 2000, through the usage of municipal bonds in stadium construction financing, which are federal tax-exempt, NFL stadium federal subsidies total \$1.11 billion out of \$3.2 billion total stadium subsidies. Further, if the

high-income bond holders are included, which receive federal tax breaks, the NFL stadium federal revenue loss totals \$1.29 billion out of \$3.7 billion total stadium federal revenue loss.⁸

Signed August 4, 2011, after the longest league labor stoppage in NFL history, 136-day lockout,⁹ the current CBA, which expires after the 2020 season,¹⁰ is the most significant NFL economic restructuring since the 1993 agreement.¹¹ The significant changes primarily impact four areas: player and health safety, retired player benefits, draft/free agency system, and entry level compensation system.¹² One, all team and league revenues are eligible for player compensation. Two, the salary cap is set so players can share within 47-48.5% of total league revenues, which is based upon 55% league media revenues, 45% NFL Ventures revenue, 40% local team revenues. Three, in 2011-2012, the league must spend at least 99% of cap. In 2013-2020, the league must spend at least 95% of cap, and individual teams must spend at least 89% of cap. Four, rookie salaries are connected to veteran salaries based upon their pick location and position. Five, league minimum players receive a \$55,000 increase in 2011 and \$15,000 each additional year. Six, a "legacy fund"

⁸ Ted Gayer, Austin J. Drukker, and Alexander K. Gold, "Why the Federal Government Should Stop Spending Billions on Private Sports Stadiums," *Brookings*, September 8, 2016, accessed September 8, 2016, https://www.brookings.edu/research/why-the-federal-government-should-stop-spending-billions-on-private-sports-stadiums/?utm_campaign=Brookings+Brief&utm_source=hs_email&utm_medium=email&utm_content=34046262#revenue-loss.

⁹ Nate Davis, "NFL, Players Announce New 10-Year Labor Agreement," *USA Today*, July 25, 2011, accessed September 5, 2016,

<http://content.usatoday.com/communities/thehuddle/post/2011/07/reports-nfl-players-agree-to-new-collective-bargaining-agreement/1#.V80iB1srLIV>.

¹⁰ "NFL Collective Bargaining Agreement: August 4, 2011," NFLPA, accessed September 5, 2016, https://nflpaweb.blob.core.windows.net/media/Default/PDFs/General/2011_Final_CBA_Searchable_Bookmarked.pdf.

¹¹ Kevin G. Quinn, "Directions for Future NFL Research and the New CBA," in *The Economics of the National Football League: The State of the Art*, ed. Kevin G. Quinn, Sports Economics, Management and Policy 3, series ed. Dennis Coates (New York: Springer, 2012), 325.

¹² "NFL Clubs Approve Comprehensive Agreement," NFL, July 26, 2012, accessed September 5, 2016, <http://www.nfl.com/news/story/09000d5d820e6311/article/nfl-clubs-approve-comprehensive-agreement>.

Art, ed. Kevin G. Quinn, Sports Economics, Management and Policy 3, series ed. Dennis Coates (New York: Springer, 2012), 7-8.

⁵ Jason Winfree, "NFL Franchise Values, Locations, and Stadium Economics," in *The Economics of the National Football League: The State of the Art*, ed. Kevin G. Quinn, Sports Economics, Management and Policy 3, series ed. Dennis Coates (New York: Springer, 2012), 52.

⁶ *Ibid.*, 52-53.

⁷ Taxpayers Protection Alliance, *Sacking Taxpayers: How NFL Stadium Subsidies Waste Money and Fall Short on Their Promises of Economic Development*, (September 2015): 1, accessed September 5, 2016, <http://protectingtaxpayers.org/assets/files/NFL-Subsidies-report-Sept2015.pdf>.

for pre-1993 pensions is created worth \$620 million, with 49% paid by current player revenues and 51% paid by team owners. Seven, player contracts have a three-year injury guarantee, and all players qualify for the NFL medical plan for life. Eight, players have less practice full-contact. Nine, through 2013, the regular season is 16 games with four preseason games, and the National Football League Players Association (NFLPA) can veto changes beyond. Ten, both the league and the union mutually agree to dispute arbitration over revenue, salary caps, and free agency.¹³

In 2015, after being tax-exempt since 1942, the NFL ends its central league office 501(c)(6) status, which alleviates both negative “distraction” and publicity.¹⁴ The Internal Revenue Service (IRS) states, “Section 501(c)(6) of the Internal Revenue Code provides for the exemption of business leagues, chambers of commerce, real estate boards, boards of trade and professional football leagues, which are not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual.”¹⁵ However, NFL teams, which are not tax-exempt, already pay taxes, including on profit, player salaries, and merchandise sales. While the National Basketball Association (NBA) and National Hockey League (NHL) still maintain their status, like MLB, which eliminated its status in 2007, in return for the nominal taxes the NFL will pay, the NFL no longer has to file IRS-990 Forms that publicly disclose specific financial information, including key executive salaries.¹⁶

In 2015, the fortunes of the NFL continued to rise. Relative to 2015 NFL team values, for the ninth straight year, the Dallas Cowboys maintained the highest ranking.¹⁷ Forbes team valuation methodology includes,

¹³ Quinn, “Directions for Future NFL Research and the New CBA,” 331.

¹⁴ Jonathan Clegg, “NFL to End Tax-Exempt Status,” *Wall Street Journal*, April 28, 2015, accessed September 5, 2016, <http://www.wsj.com/articles/nfl-to-end-tax-exempt-status-1430241845>.

¹⁵ Internal Revenue Service. “Other Non-Profits — Business Leagues.” IRS.gov, accessed September 5, 2016, <https://www.irs.gov/charities-non-profits/other-non-profits/business-leagues>.

¹⁶ Clegg, “NFL to End Tax-Exempt Status.”

¹⁷ Mike Ozanian, “The Most Valuable Teams in the NFL,” *Forbes*, September 14, 2015, accessed September 5, 2016,

Quick huddle: Team values are enterprise values (equity plus net debt). The values for the Atlanta Falcons and Minnesota Vikings were adjusted upward to somewhat reflected [sic] their new stadiums (the former in 2017, the latter in 2016), though, as was the case with the 49ers this year, we will not have a complete handle on the impact the new stadiums will have until they finish their first seasons in their new digs. Also, we did not adjust this year’s values for the San Diego [Chargers], Oakland Raiders and St. Louis Rams to reflect the possibility one or more of these teams will be moving to Los Angeles because we don’t know who is going. Revenue and operating income are for the 2014 season, net of revenue sharing and stadium debt service. Our goal is to measure cash in versus cash out. The NFL suggested to owners that they accrue for the cost of the concussion lawsuit by deducting the entire \$27 million cost per team from profits in 2014. But we omitted that expense from our operating income figures because the case is being appealed and the actual cash outlay for that settlement will be over several years. Revenue from non-NFL events is included where applicable. We gathered our information from the teams, public documents (for stadium leases and public debt), sports bankers, credit rating agencies like Moody’s and Fitch, network executives, and media experts like SNL Kagan.¹⁸

While the Cowboys have not been to the Super Bowl in over 20 years, owner Jerry Jones and the AT&T Stadium receive a \$4 billion valuation. The Cowboys generated an American sports team record revenue of \$620 million, while also ranking first in average NFL attendance (90,000), premium seating revenue (\$120 million) and non-NFL events stadium revenue (\$30 million). After the Cowboys, other big market teams also playing in team-operated stadiums encompass the top five team valuations: New England Patriots (\$3.2 billion), Washington Redskins (\$2.85 billion), New York Giants (\$2.8 billion) and San Francisco 49ers (\$2.7 billion). After moving into the new \$1.2 billion Levi Stadium, in

<http://www.forbes.com/sites/mikeozanian/2015/09/14/the-most-valuable-teams-in-the-nfl/#4e25dd87326f>.

¹⁸ Ibid.

one year, the 49ers valuation increased by 69%, with team revenue increasing 160%.¹⁹ Mike Ozanian, *Forbes*, contends,

The NFL's rising tide has lifted all boats. The average NFL team is worth \$1.97 billion, 38% more than last year. The gain was fueled by a \$39 million increase in national revenue for each of the league's 32 teams. The NFL is unlike any other sports league in that from an operating standpoint every team is immensely profitable. In 2014, operating income (earnings before interest, taxes, depreciation and amortization) averaged \$76 million for the league's 32 teams, ranging from a high of \$270 million (Cowboys) to a low of \$25 million (Atlanta Falcons). Even if they don't play in a big market or profit from hosting non-NFL events at their stadium, owners can still make an obscene amount of money if they consistently put a top-notch product on the field.²⁰

In 2016, globally, the NFL's Dallas Cowboys are also the world's most valuable team, which is the first time a non-soccer team has held this ranking. Overall, out of the existing 32 NFL teams, 27 NFL team valuations rank in the top 50 globally.²¹ *Forbes* global team valuation results and methodology include,

The average franchise in the top 50 is worth \$2.2 billion versus \$1.75 billion a year ago. The breakdown by sport is 27 NFL teams (versus 20 last year), seven MLB (versus 12), eight NBA (versus 10) and eight European soccer (versus seven). The New York Knicks are the most valuable NBA team at \$3 billion and rank No. 7 overall. No F1, Nascar or hockey teams made the grade. The minimum to make the cut is up 20% to \$1.48 billion (Jacksonville Jaguars). There are 76 franchises worth at least \$1 billion

by our count. Our franchise values are based on the *Forbes* valuations done over the past year for NFL, NHL, NBA, MLB, F1, soccer and Nascar. Some team values have shifted since our last published reports, but they are not reflected here. Most notably, the former St. Louis Rams relocated to Los Angeles, increasing the team's value from our September estimate of \$1.46 billion. *Forbes'* team values are enterprise values (equity plus debt) based on current stadium deals (unless a new stadium is pending).²²

In 2014, NFL Commissioner Roger Goodell makes \$34.1 million, including bonuses of \$26.5 million. In nine years, his salary totals \$180.5 million, averaging \$20 million per year. While critics call for his termination based on recent league scandals and negative publicity, Goodell continues to increase the profits of the owners. As a result, in 2014, comparing the NFL revenue to pay of other professional league commissioners, he may be underpaid. Goodell's \$34.1 million is only 0.26% of league revenue compared to other commissioners: MLB (\$26 million -0.33%), NBA (\$20 million - 0.44%), NHL (\$10.5 million - 0.26%), and MLS (\$3.5 million - 0.76%).²³ Furthermore, in 2016, recent projections expect NFL revenues to exceed \$13 billion, increasing over 50% from 2010. Moreover, these projections are over halfway to Goodell's goal of \$25 billion by 2027. Since announcing the goal in 2010 when NFL revenues were \$8.5 billion, the NFL annual revenue growth is \$750 million.²⁴ Relative to the increasing bottom-line of the NFL continuing, Ozanian declares,

Has the NFL peaked? Don't make me laugh. The league is about to build a new stadium near

¹⁹ *Ibid.*

²⁰ *Ibid.*

²¹ Kurt Badenhausen, "Dallas Cowboys Head the World's 50 Most Valuable Sports Teams of 2016," *Forbes*, July 13, 2016, accessed September 5, 2016, <http://www.forbes.com/sites/kurtbadenhausen/2016/07/13/dallas-cowboys-head-the-worlds-50-most-valuable-sports-teams-of-2016/#1cc268036bd7>.

²² *Ibid.*

²³ Alex Reimer, "Roger Goodell Might Actually be Underpaid," *Forbes*, February 17, 2016, accessed September 5, 2016, <http://www.forbes.com/sites/alexreimer/2016/02/17/roger-goodell-salary-could-be-more/#5a7bbebe28b>.

²⁴ Jason Belzer, "Thanks To Roger Goodell, NFL Revenues Projected to Surpass \$13 Billion In 2016," *Forbes*, February 29, 2016, accessed September 5, 2016, <http://www.forbes.com/sites/jasonbelzer/2016/02/29/thanks-to-roger-goodell-nfl-revenues-projected-to-surpass-13-billion-in-2016/#5a9fb5d83278>.

Los Angeles, one that will be so audacious—the grandest reality console in the land—that it could make the one in Dallas seem humble. That L.A. stadium will make money for whichever team plays there, but the big picture is that it will serve as the show biz platform for the league. Think concerts and entertainment laden with NFL endorsers such as Hyundai, Visa and Microsoft. And there is more fantasy (or is it reality?) TV . . . on the way. Meanwhile, the Green Bay Packers, a team about as far away from Hollywood as you can get (spiritually speaking) are building Titledown District—a destination area to be created on approximately 34 acres of land immediately west of Lambeau Field—to capitalize on their fanatical fan base.²⁵

St. Louis and the NFL

In 1923, St. Louis briefly has a team entry in the NFL. Then, in 1934, the Cincinnati Gunners relocate to St. Louis, playing three games before folding.²⁶ Eventually, St. Louis hosts two additional NFL team relocations: the St. Louis Cardinals and the St. Louis Rams.

The Cardinals (1960-1987)

The Cardinals, originally located in Chicago and now located in Arizona, are one of two existing teams from the original eleven team Professional Football Association (1920), which becomes the NFL in 1922. The other existing team, the Decatur Staleys, moves to Chicago in 1921 and becomes the Chicago Bears in 1922. The Chicago Cardinals won NFL Championships in 1925 and 1947.²⁷ In 1947, after the death of Charles Bidwill, Sr., his wife, Violet Bidwill becomes the first NFL female team owner, eventually marrying Walter Wolfner, who becomes team managing director, in 1949. In 1951, Charles Stormy Bidwill becomes team president, and William (Bill) Bidwill becomes team vice-president.²⁸ However, after a trend of disappointing

seasons and attendance, Greg Marecek, sportswriter, states,

In the 1959 season, the Cards weren't drawing in Chicago, so they moved home games to both Minnesota and to Solider Field in Chicago as they looked for a new home. The team lost their last six games, after which Violet Bidwill decided to pull up the trucks and move the franchise to St. Louis, where they had some success in annual charity preseason games.²⁹

In 1960, after the NFL team owners approve the relocation, the St. Louis Cardinals play their inaugural season. However, before the approval, St. Louis is separately courted as both a possible NFL expansion city and as a rival American Football League (AFL) city. Ultimately, both the AFL threat and the preference to have only one Chicago NFL team results in the relocation.³⁰ On the Cardinals relocation to St. Louis, Marecek asserts,

St. Louis fans were excited to have a football team, but while the Baseball Cardinals welcomed the new team to the city, the problem that would never really be resolved in twenty-eight seasons quickly became apparent. There was one stadium and two teams, and the baseball team owned it. The Football Cardinals would have to schedule early season games on the road, they couldn't practice on the field until baseball ended, and old Sportsman Park, a.k.a. Busch Stadium, had a fair number of seats with obstructed views. Another issue was that the Football Cardinals needed to be differentiated from the Baseball Cardinals. The football team was tagged with the moniker "the Big Red," which became a catch phrase for fans, players, and broadcasters alike.³¹

In the mid-1980s, the Cardinals threaten to leave St. Louis unless the city builds the team a new team stadium with increased seating capacity, specifically for usage by the Football Cardinals and not the Baseball Cardinals. In 1987, while Busch Stadium seating capacity, 54,392, is an NFL low, the

²⁵ Ozanian, "The Most Valuable Teams in the NFL."

²⁶ Greg Marecek, *The St. Louis Football Cardinals: A Celebration of the Big Red* (St. Louis, MO: Reedy Press, 2009), 8.

²⁷ *Ibid.*, 3-7.

²⁸ *Ibid.*, 20-21.

²⁹ *Ibid.*, 8.

³⁰ *Ibid.*, 13.

³¹ *Ibid.*

Baseball Cardinals average attendance (81 games) is still higher than the Football Cardinals average attendance (eight games).³² During political wars on the possible location of the St. Louis stadium, the Cardinals owner, William Bidwill, rejects a proposal for a 70,500 seat open air stadium in St. Louis County.³³ Then, in early 1988, through the negotiations of Gov. John Ashcroft with St. Louis County Executive Gene McNary and St. Louis Mayor Vincent Schoemehl, St. Louis promises the support of downtown stadium construction. The Missouri General Assembly gives preliminary approval for a tax supported 70,000 seat stadium through a new stadium authority. However, after already courting offers from Baltimore and Jacksonville, William Bidwell files for relocation to Phoenix with the NFL.³⁴ The new lease with the 73,000 seat Sun Devil Stadium, at Arizona University, requires the Cardinals to locate in the area for a minimum of 10 years, with a team option up to 30 years, but the team can leave the lease for new stadium in the Phoenix area. Luxury boxes would yield about \$2.5 million yearly.³⁵ Projections also include \$17 million annually in ticket and concession incentives.³⁶

On March 15, 1988, the day of the NFL owners vote, to combat the offer of Arizona, a local St. Louis civic group makes a last attempt at keeping the Rams through promises of increasing seating capacity in Busch Stadium until a new dome stadium is built. However, after 28 seasons in St. Louis, with only three playoff game appearances—all on the road and all losses—the NFL owners reluctantly but overwhelmingly approve (26 to 2) the Cardinals' move to Arizona, becoming the Phoenix Cardinals

and later (1994) the Arizona Cardinals.³⁷ On the Cardinals relocation to Arizona, Marecek claims,

What “Mr. B” was absolute on was his loyalty to his team, his respect for the tradition of the NFL and his Cardinals, for the bird on the helmet, and the quality of the game. He was roasted for leaving St. Louis, yet had the stadium that was built for the Los Angeles Rams been promised, the Cardinals still would be in St. Louis today. His request and requirement of new digs was the norm and still is in the NFL.³⁸

The Rams (1995-2015)

After the departure of the Cardinals, who would have stayed for a \$90 million public subsidy,³⁹ St. Louis attempts to secure one of the two 1993 NFL expansion teams, but, primarily due to issues establishing a viable local ownership group, St. Louis is not awarded an expansion team, but Charlotte and Jacksonville are.⁴⁰ First, in order to attract an NFL team, St. Louis decides to build a new stadium, the Trans World Dome—later renamed the Edward Jones Dome. The dome is part of the Cervantes Convention Center to provide additional exhibition space for attracting premier conventions,⁴¹ and utilizes the St. Louis Regional Convention and Sports Complex Authority (STLRSA).⁴² On its creation and purpose to the dome, STLRSA states,

³⁷ Eskenazi, “N.F.L. Approves Team Shift.”

³⁸ Marecek, *The St. Louis Football Cardinals: A Celebration of the Big Red*, 23.

³⁹ Mark S. Rosentraub, *Major League Losers: The Real Cost of Sports and Who's Paying For It—What Governments and Taxpayers Need to Know*, Revised and Updated ed. (New York, NY: Basic Books, 1999), 249.

⁴⁰ *Ibid.*, 66.

⁴¹ Kristen E. Knauf, “If You Build It, Will They Stay? An Examination of State-of-the-Art Clauses in NFL Stadium Leases,” *Marquette Sports Law Review* 20, no. 2 (Spring 2010): 482, accessed September 5, 2016, <http://scholarship.law.marquette.edu/cgi/viewcontent.cgi?article=1488&context=sportslaw>.

⁴² St. Louis Regional Convention and Sports Complex Authority, *STLRSA 2015 Annual Report*, by Brian McMurtry, (St. Louis, 2016), 1, accessed September 5, 2016, <http://stlrsa.org/2015%20Annual%20Report.pdf>.

³² Don Pierson, “Cardinals Head for Phoenix,” *Chicago Tribune*, January 16, 1988, accessed September 5, 2016, http://articles.chicagotribune.com/1988-01-16/sports/8803220953_1_william-bidwill-move-billy-bidwill.

³³ Associated Press, “The Cardinals Seek Approval for Phoenix Move,” *Los Angeles Times*, January 16, 1988, accessed September 5, 2016, http://articles.latimes.com/1988-01-16/sports/sp-9366_1_cardinals-move.

³⁴ Pierson, “Cardinals Head for Phoenix.”

³⁵ Gerald Eskenazi, “N.F.L. Approves Team Shift,” *New York Times*, March 16, 1988, accessed September 5, 2016, <http://www.nytimes.com/1988/03/16/sports/nfl-approves-team-shift.html>.

³⁶ Pierson, “Cardinals Head for Phoenix.”

The Authority was established by enabling State legislation in May 1989 as an independent public entity with 11 Commissioners. These Commissioners are appointed by the State of Missouri (5), the City of St. Louis (3), and St. Louis County (3) on a bipartisan basis. The Authority was established under Mo. Revised Statutes 67.650 to 67.658 and is empowered to acquire, purchase or lease, and construct sports stadiums and do all things incidental and necessary to facilitate these purposes. This authority was used to construct what is now the Edward Jones Dome. In connection with these activities, the Authority is granted all rights and powers necessary to plan, finance, construct, equip and maintain the Facility at the highest standards.⁴³

As result, STLRSA issues \$258 million in 30-year revenue bonds with payment split 50% Missouri (\$12 million yearly), 25% St. Louis County (\$6 million yearly), and 25% St. Louis City (\$6 million yearly). Included in the yearly amounts, the State pays \$2 million in maintenance with the City and County paying \$1 million each in maintenance. The total costs of the bonds are \$720 million (State - \$360 million, County - \$180 million and City - \$180 million).⁴⁴ Expanding on the scope of the public funding and financing, Neil deMause, journalist, and Joanna Cagan, teacher and writer, proclaim,

The TWA Dome was constructed entirely at government expense, with \$301 million raised by selling general purpose bonds. That \$301 million, plus interest, will be paid back at \$24 million a year over thirty years; a boost in the county hotel tax will pay for about a quarter of the sum, and the rest will be paid out of the general city and state treasuries. The 113 luxury boxes and sixty five hundred club seats will generate \$1.8 million per year in tax subsidies via the business-entertainment deduction, paid for by the federal treasury. U.S. taxpayers will likewise be responsible for an additional \$6 million a year in subsidies through the federal-tax exemption of the bonds. Trans World

⁴³ Ibid.

⁴⁴ Fred W. Lindecke, "Razing to Start Action on Stadium," *St. Louis Post-Dispatch*, January 25, 1992.

Airlines agreed to pay \$1.3 million a year (plus inflation) to plaster its name on the dome, nearly a million of which will go to the Rams. Total subsidy: \$1.07 billion over thirty years.⁴⁵

Second, in order to secure a NFL team, St. Louis engages with the Los Angeles Rams. In 1946, the Rams and their owner, Dan Reeves, relocate to Los Angeles from their NFL founding city—Cleveland (1937). In 1972, after the death of Reeves, Robert Irsay buys the Rams from Reeve's estate. Then, he trades ownership with Baltimore Colts owner, Carroll Rosenbloom. In 1979, Rosenbloom drowns and his wife, Georgia Frontiere, becomes Rams owner and the second NFL female team owner. Frontiere fires her stepson, Steve Rosenbloom (the team operations manager).⁴⁶ Rosenbloom contends his father only gives Frontiere control of the team due to the widow tax exemption but does not intend for her to actually run the team.⁴⁷ In 1980, the Rams leave the Los Angeles Memorial Coliseum (opened 1923) to play in the newer (opened 1966) football retrofitted Anaheim Stadium, home of the California Angels (MLB).⁴⁸ Further, in 1982, the Raiders move from Oakland to Los Angeles, playing in the Los Angeles Memorial Coliseum.⁴⁹ However, the Rams still sought a newer stadium with more modern revenue sources. As a result, when Los Angeles, Anaheim, and Orange County respond unfavorably to new stadium demands, the Rams look to St. Louis.⁵⁰ In securing the relocation of the Rams, Mark Rosentraub, Professor of Sports Management and Director of the Center for Sport and Policy at University of Michigan, writes,

⁴⁵ Neil deMause and Joanna Cagan, *Field of Schemes: How the Great Stadium Swindle Turns Public Money into Private Profit*, Revised and Expanded ed. (Lincoln, NE: University of Nebraska Press, 2008), 60.

⁴⁶ Jim Peltz, "Socialite Moves Rams to St. Louis," *Los Angeles Times*, January 19, 2008, accessed September 5, 2016, <http://articles.latimes.com/2008/jan/19/local/me-frontiere19>.

⁴⁷ Chad Garrison, "Georgia's Playbook," *St. Louis Business Journal*, January 26, 2003, accessed September 5, 2016, <http://www.bizjournals.com/stlouis/stories/2003/01/27/story2.h tml>.

⁴⁸ Knauf, "If You Build It, Will They Stay?" 483.

⁴⁹ Eskenazi, "N.F.L. Approves Team Shift."

⁵⁰ Knauf, "If You Build It, Will They Stay? An Examination of State-of-the-Art Clauses in NFL Stadium Leases," 483.

To entice the Rams from Anaheim, the city and county of St. Louis offered the team a wonderful lease for use of their new dome. The St. Louis Rams would receive 100 percent of all concession revenues, 75 percent of advertising income from the facility, and 90 percent in any year that more than \$6 million in advertising income was earned. A local corporate group guaranteed that 85 percent of the luxury boxes and club seats would be sold for fifteen years and the Rams could keep all of this income. Through the sale of seat options to prospective fans, the city and county of St. Louis also agreed to provide the funds to pay the team's indemnity to Anaheim, all moving expenses, and the costs associated with building a practice facility. The Rams received twelve hundred parking spots for each game at the cost of \$2 per spot as well, and could distribute or sell these as they desired. For all these incentives or provisions, the Rams pay an annual rent of \$250,000 and between \$250,000 and \$300,000 for game day expenses associated with the use of the facility. There is the potential for the Rams to 'cover' the annual cost of their lease from the advertising they sell in the stadium built for them with taxpayer' funds.⁵¹

On January 17, 1995, Georgia Frontiere, originally from St. Louis, announces the relocation of the Rams to St. Louis, but NFL team owners decidedly block the move. However, after litigation threats by both the Rams and Missouri Attorney General Jay Nixon, on April 12, 1995, the NFL team owners approve (23-6-1) Rams relocation to St. Louis,⁵² the same year the Los Angeles Raiders also move back to Oakland.⁵³ In setting new standards for public sports subsidies, St. Louis got a NFL team, and the NFL team got record profits.⁵⁴ On the Rams relocation to St. Louis, Frontiere exclaims, "St. Louis is my hometown, and I brought my team here to start a new dynasty. In my early days, I thought I'd become a big opera star in Europe. Now, by

bringing the city an NFL team, I'm doing something that truly will make St. Louis proud. I've worked hard for it."⁵⁵

Before the start of 1995-1996 season, the Rams make the move to the Trans World Dome in the new St. Louis Convention and Visitor Center (CVC). St. Louis commits to the CVC before the Rams, including building the dome during Rams negotiations. During negotiations, the CVC agrees to a Rams relocation fee to be paid to the NFL. Upon agreeing to the relocation, the Rams agree not to sue the League. However, instead, the CVC sues the NFL and all member teams, except the Rams, primarily relative to antitrust claims and the relocation fee.⁵⁶

After the disappointing 1995-1996 St. Louis Rams season of seven wins and nine losses, the CVC files a \$130 million lawsuit against the NFL, with damages tripled if won, including the following claims. One, a Sherman Act Section 1 conspiracy claim alleges the NFL Guidelines and Relocation Policies are illegal and promote collusive action. Two, a Section 2 monopolization claim alleges the NFL used its power to gain illegal profits. Three, a tortious interference claim alleges the NFL wrongfully denied business advantage to deal with all NFL teams. However, the judge dismisses the case and finds in favor of the NFL, which is affirmed by the Eight District Court in 1998.⁵⁷ Relative to the CVC case, Franklin Fisher, Professor of Economics at Massachusetts Institute of Technology (MIT),

⁵⁵ Hubert Mizell, "Weird and Wild Road to Glory," *St. Petersburg Times*, January 23, 2008, accessed September 5, 2016, http://www.sptimes.com/News/012300/news_pf/Bucs/Weird_and_wild_road_t.shtml.

⁵⁶ Franklin M. Fisher, Christopher Maxwell, and Evan Sue Schouten, "Sports Facilities and Development: The Economics of Sports Leagues and the Relocation of Teams: The Case of the St. Louis Rams," *Marquette Sports Law Journal* 20 (2000): 197-198, accessed September 5, 2016, <http://scholarship.law.marquette.edu/cgi/viewcontent.cgi?article=1468&context=sportslaw>.

⁵⁷ Franklin M. Fisher, Christopher Maxwell, and Evan Sue Schouten, "Sports League Issues: The Relocation of the Los Angeles Rams of St. Louis (1998)," in *The Antitrust Revolution: Economics*, 4th ed., ed. John E. Kwoka and Lawrence J. White (New York: Oxford University Press, 2012), 279-280.

⁵¹ Rosentraub, *Major League Losers: The Real Cost of Sports and Who's Paying For It*, 66-67.

⁵² Knauf, "If You Build It, Will They Stay?" 483.

⁵³ Peltz, "Socialite Moves Rams to St. Louis."

⁵⁴ Rosentraub, *Major League Losers: The Real Cost of Sports and Who's Paying For It*, 215.

Christopher Maxwell, Vice President at Charles River Associates, and Evan Sue Schouten, Principal at Charles River Associates, contend,

The St. Louis CVC claimed that the NFL relocation policies had caused the city to receive ‘firesale’ lease terms for its stadium or, equivalently, that the NFL’s relocation policies had caused the city to greatly ‘overpay’ to get the Rams. The CVC believed that these policies had prevented all of the other teams from negotiating with St. Louis. This belief had little factual basis, since the CVC failed to contact any other team beside the Rams regarding leasing its stadium. It seems more likely, however, that, to the extent that the CVC’s lease terms were unfavorable, it was because the city, itself, had placed itself in a poor bargaining position by committing to build a stadium prior to arranging for an NFL tenant.⁵⁸

In the Rams lease, an “escape hatch” exists. The lease gives the Rams the ability to move if the dome is not in the top 25% of NFL stadiums, including specific components being first tier, on March 1, 2005, or March 1, 2015. The 30-year lease then becomes a one-year lease. This clause implies continuous additional public funding is needed to meet compliance.⁵⁹ Further, at least 15 components must be first tier with very little, if any, guidance on what that status means, resulting in the CVC eventually creating a \$4 million yearly preservation fund to attempt clause compliance and maintenance.⁶⁰ Relative to the lease of the dome to the Rams, the STLRSA states,

The St. Louis Rams Football Partnership (“RAMS”), owner of the St. Louis Rams NFL football team, has certain rights to occupy and use the Dome through March 31, 2025 under an Amended and Restated St. Louis NFL Lease dated January 17, 1995 (the “Lease”) among the RAMS, the CVC and St. Louis NFL Corporation (“SLNFL”). Pursuant to Annex 1 to the Lease dated January 17, 1995 among the

RAMS, the CVC, the Authority and SLNFL, the CVC and the Authority have agreed to (1) operate, manage, maintain and repair the Dome to a First Class Standard (as hereinafter defined) at all times during the term of the Lease and (2) cause the Dome to meet the First Tier Standard (as hereinafter defined) on July 31, 2005 and March 1, 2015. “First Class Standard” means that the Dome and each component thereof is to be constructed, operated, maintained and repaired to a first class, superior or excellent standard. “First Tier Standard” means that the Dome and each component thereof must be among the top 25% of all NFL football stadia and NFL football facilities, if such NFL football stadiums and facilities were to be rated or ranked according to the matter sought to be measured. If the Dome is not maintained to a First Class Standard for 60 days following written notice by the RAMS to the CVC (or 5 days during the NFL season), the RAMS must first attempt to remedy such condition and offset the cost thereof against any obligation it has to the CVC under the Lease, and thereafter may terminate the Lease or convert the Lease to an annual term with the RAMS having successive unilateral annual renewal options thereafter until March 31, 2025. If the Dome does not meet the First Tier Standard on July 31, 2005 and again on March 1, 2015, the RAMS may by written notice to the CVC convert the Lease to an annual term with the RAMS having successive unilateral renewal options thereafter until March 31, 2025.⁶¹

To attempt to comply with the first tier/standard clause for 2005, the CVC and Rams agree to the improvements of four elements: suite and suite concourses, club suites, lounges and concourses, lightning and sound, and the playing field. As a result, the playing field is temporarily installed for four years until a new removable turf is agreed upon for 2010. Further, in the fall of 2007, the two parties cannot agree on what first-tier status is, so a second amendment to the lease commits the CVC, Regional Sports Authority (RSA) and Rams to \$30 million in

⁵⁸ Fisher, Maxwell, Schouten, “Sports Facilities and Development: The Economics of Sports Leagues,” 198.

⁵⁹ Rosentraub, *Major League Losers: The Real Cost of Sports and Who’s Paying For It*, 226-227.

⁶⁰ Knauf, “If You Build It, Will They Stay?” 486.

⁶¹ “STLRSA: About Us—The Edward Jones Dome,” St. Louis Regional Convention and Sports Complex Authority, accessed September 5, 2016, <http://stlrso.org/the-edward-jones-dome.html>.

renovations by 2009. The 13 dome improvements include two end zone video boards.⁶² Further, based upon this lease precedence, other NFL teams with a similar clause include: Cincinnati Bengals, Kansas City Chiefs, and San Diego Chargers.⁶³ However, Kristen Knauf, JD, of University of Marquette Law School, argues these clauses are unconscionable and should therefore be unenforceable in contract law,⁶⁴ warning in 2010,

In some sense, St. Louis's situation could be seen as a lesson in contract drafting for other communities and their professional sports franchises. However, St. Louis's agreement to include the state-of-the-art clause in the lease should not be construed as giving any kind of legitimacy to such clauses. Franchise relocation has historically been one of the biggest problems that the NFL has had to face. The victims of franchise relocations are the fans, cities, taxpayers, and, ultimately, the league itself. Although there have not been any recent NFL franchise movements, only time will tell if state-of-the-art clauses are the sparks that ignite a new fire of NFL franchise movement.⁶⁵

In January 2008, after a St. Louis Rams Super Bowl Championship in 1999, Georgia Frontiere dies, and her children, Chip Rosenbloom and Lucia Rodriguez, inherit her 60% Rams ownership, plus the inheritance tax. In July 2008, the children hire a firm to handle team ownership offers. In late May 2009, the children hire Goldman Sachs for bid evaluation and buyer solicitation. In early June 2009, the St. Louis Blues (NHL) owner, Dave Checketts, makes official his desire to group purchase the Rams. In October 2009, Rush Limbaugh, political commentator (born in Cape Girardeau, MO) decides to join the Checketts group, but at least a half dozen potential buyers exist at this point. By mid-October,

after opposition, Checketts removes Limbaugh from his group. By mid-January 2010, Frontiere's children narrow to three potential buyers. At the end of January 2010, the Checketts group adds Gerald J. Ford, Texas billionaire, as its lead investor at 30%. By early February 2010, NFL Commissioner Goodell prefers St. Louis stay an NFL city for the foreseeable future. By mid-January 2010, Shahid Khan, Illinois auto parts manufacturer, has an agreement with the Frontiere children for their 60% ownership. However, in mid-April 2010, 40% Rams minority owner, Stan Kroenke, uses his right to first refusal to purchase the team, claiming he will attempt to keep the Rams in St. Louis. By late May 2010, Kroenke presents his Rams purchase plans to the NFL Finance Committee, including how he will meet the NFL cross-ownership guidelines relative to his ownership of the Denver Nuggets (NBA) and Colorado Avalanche (NHL). In mid-August 2010, Goodell notifies NFL owners of the unanimous recommendation of Kroenke by the finance committee. On August 25, 2010, Kroenke is unanimously approved as the new Rams owner.⁶⁶ Moreover, on the new Kroenke Rams ownership, Chip Rosenbloom declares,

Fifteen years ago, my family entered a partnership with Stan Kroenke and it has been a wonderful relationship. Although today is an emotional day and the end of an era for our family, it is also the beginning of a new chapter in the rich history of the St. Louis Rams. We look forward to Stan continuing the great tradition of the organization. On behalf of my sister Lucia (Rodriguez) and our entire family, we congratulate Stan and the Kroenke family on becoming the majority owner of the Rams.⁶⁷

⁶² St. Louis Convention and Visitors Commission, *Edward Jones Dome and the St. Louis Rams - Confidential-*, (February 2012): 1-2, accessed September 5, 2016, <http://explorestlouis.com/wp-content/uploads/2012/02/RAMS-Proposal.pdf>.

⁶³ Knauf, "If You Build It, Will They Stay? An Examination of State-of-the-Art Clauses in NFL Stadium Leases," 485-486.

⁶⁴ *Ibid.*, 493.

⁶⁵ *Ibid.*, 495.

⁶⁶ Jim Thomas, "Timeline of St. Louis Rams Sale," *St. Louis Post-Dispatch*, April 26, 2010, accessed September 5, 2016, http://www.stltoday.com/sports/football/professional/timeline-of-st-louis-rams-sale/article_7bf44a1c-63ef-5af5-be4e-f7926893ae9c.html.

⁶⁷ Jim Thomas, "It's Unanimous: Stan is the Man," *St. Louis Post-Dispatch*, August 25, 2010, accessed September 5, 2016, http://www.stltoday.com/sports/football/professional/it-s-unanimous-stan-is-the-man/article_32494bf2-b064-11df-970d-00127992bc8b.html.

In 1995, after being involved in the 1993 expansion process as a lead investor,⁶⁸ during the possible relocation of the Rams, Stan Kroenke could buy up to 40% of the Rams, and, as minority owner, had the option of either leaving the Rams in Anaheim or moving them to St. Louis. However, he chooses to move them to St. Louis to increase short term profit yields, especially relative to the dome.⁶⁹ In 1995, Kroenke pays \$60 million for a 30% Rams ownership. Then, in 1998, he pays \$20 million for another 10% Rams ownership, totaling \$80 million spent and 40% ownership obtained.⁷⁰ Finally, in 2010, Kroenke, the Columbia, MO, billionaire, pays \$450 million for the remaining 60% of the Rams ownership, which is based upon the team valuation of \$750 million (60% equals \$450 million).⁷¹ On his new ownership of the Rams, Kroenke states,

I'm going to attempt to do everything that I can to keep the Rams in St. Louis. Just as I did everything that I could to bring the team to St. Louis in 1995. I believe my actions speak for themselves. There's a track record. I've always stepped up for pro football in St. Louis. And I'm stepping up one more time. I'm born and raised in Missouri. I've been a Missourian for 60 years. People in our state know me. People know I can be trusted. People know I am an honorable guy.⁷²

By February 1, 2012, the St. Louis Convention and Visitors Commission (CVC) provides a preliminary compliancy plan to the Rams for the March 1, 2015,

⁶⁸ Jim Thomas, "Kroenke Completes Bid to Buy Rams," *St. Louis Post-Dispatch*, August 26, 2010, accessed September 5, 2016,

http://www.stltoday.com/sports/football/professional/kroenke-completes-his-bid-to-buy-rams/article_aeb90795-e0ed-561a-acb1-8c6aa0076183.html.

⁶⁹ Jim Thomas, "Why Did Rams Move to St. Louis," *St. Louis Post-Dispatch*, January 20, 2010, accessed September 5, 2016, http://www.stltoday.com/sports/why-did-rams-move-to-st-louis/article_0250bf54-0628-5232-b9ea-6b0aa62a08fb.html.

⁷⁰ Garrison, "Georgia's Playbook."

⁷¹ Thomas, "It's Unanimous: Stan is the Man."

⁷² Bernie Miklasz, "Kroenke's Pledge to Keep the Rams in St. Louis," *St. Louis Post-Dispatch*, April 21, 2010, accessed September 5, 2016,

http://www.stltoday.com/sports/columns/from-the-archives-kroenke-s-pledge-to-keep-the-rams/article_3b49e97d-2799-50aa-8b7b-5a82bf5d5a4b.html.

first tier deadline.⁷³ The CVC plan includes improvements to all 15 first tier components, featuring: a 50,000-square-foot club and suit entrance in Baer Plaza that connects the Dome to Broadway, conversion of the courtyard between the convention center and the Dome into a pre-game fan destination, new graphics and lighting throughout the Dome and a massive center scoreboard.⁷⁴ Relative to funding these improvements and the amended lease limitation to first-tier items generally provided by the NFL franchisee, the CVC argues,

This language limits CVC's obligation for new construction or renovations to the extent the items included in those improvements are generally paid for by the NFL franchisee in other stadia. CVC has researched the franchisees' contributions to the new stadia built and/or stadia significantly renovated since the last measuring date in 2005. This data indicates that NFL franchisees have been solely responsible for generally providing (on average) fifty-two percent (52%) of the costs and expense of the items included in these stadia projects. Therefore, CVC is only obligated under the Amended Lease to undertake and/or provide funding for forty-eight (48%) of the improvements in the first-tier proposal that follows.⁷⁵

As a result, since the CVC preliminary proposal improvements total \$124 million, the Rams would be responsible for \$64.48 million (52%) and the CVC responsible for \$59.52 million (48%).⁷⁶ The Rams must notify the CVC on plan approval by March 1, 2012.⁷⁷

On March 1, 2012, the Rams reject the CVC proposal and submit a counter proposal created by

⁷³ Knauf, "If You Build It, Will They Stay?" 485.

⁷⁴ St. Louis Convention and Visitors Commission, *Edward Jones Done and the St. Louis Rams - Confidential-*, (February 2012): 5.

⁷⁵ *Ibid.*, 6.

⁷⁶ Matthew Hathaway, "Rams' Vision for Dome Could Cost \$700 million," *St. Louis Post-Dispatch*, May 15, 2012, accessed September 5, 2016, http://www.stltoday.com/sports/football/professional/rams-vision-for-dome-could-cost-million/article_052182d2-3091-5132-be1a-6a8c5bde9e70.html.

⁷⁷ Knauf, "If You Build It, Will They Stay?" 485.

HKS Sports and Entertainment, architects. Rams propose substantial Dome improvements through the facility seating bowl, patron amenities and support, NFL and multipurpose facilities, convention facilities, food service, facility operations, media/electronic systems, mechanical and electrical, circulation, miscellaneous (entry drive-up/drop-off, trash chutes, catwalk, and perimeter security), and future (“Super Bowl” seating expansion and future suites).^{78,79} In order to price the improvements proposed by the Rams, the CVC hires a construction firm, which estimates the construction costs at \$700 million plus a \$500 million loss on conventions during the estimated three-year renovations.⁸⁰ Ultimately, the CVC and Rams cannot negotiate an agreement on the first tier standard, resulting in a lease default arbitration panel on June 15, 2012.⁸¹ Regarding the arbitration panel findings, the CVC shares,

The CVC and the RAMS have engaged in arbitration regarding the improvements necessary to ensure the Dome meets the First Tier Standard on March 1, 2015. The RAMS sought a series of improvements estimated to cost approximately \$800 million to \$900 million. In February 2013, an arbitration panel held in favor of the RAMS. The arbitration panel found that, due to several structural deficiencies in the size and dimensions of the Dome (compared to other, newer NFL stadiums), only the improvements suggested by the RAMS will meet the First Tier Standard required by the Lease.⁸²

In addition, per the ruling, the CVC is also responsible for the Ram’s \$2,013,150 arbitration fees.⁸³ Further, after the ruling, the CVC announces, “In July 2013, the CVC announced that it will not commence the improvements proposed by the RAMS and discussed in the arbitration panel’s decision. Accordingly, beginning in March 2015, the Lease may be converted to an annual term with the RAMS having successive unilateral renewal options thereafter as discussed above.”⁸⁴

In late December 2014, the St. Louis Rams, San Diego Chargers, and the Oakland Raiders, each with leases allowing the team to vacate, inform the NFL that they will not move to Los Angeles and remain in their current cities in 2015.⁸⁵ As a result, Missouri Gov. Jay Nixon believes the St. Louis Rams will stay through a stadium plan led by his two-man task force.⁸⁶ The task force includes Dave Peacock, a former President of Anheuser-Busch, working with the NFL on advertising and marketing, and also a Pro Football Hall of Fame advisory board member and past-chairman of the St. Louis Sports Commission. The second member is Robert Blitz, a founding attorney at Blitz, Bardgett and Deutsch in St. Louis, who also helped relocate the Rams to St. Louis and is a former member of and current legal counsel to the St. Louis Regional Convention and Sports Complex Authority.⁸⁷ However, in any stadium plan, Governor Nixon expects to see six

⁸³ St. Louis Regional Convention and Sports Complex Authority, *STLRSA 2015 Annual Report*, 3.

⁸⁴ “STLRSA: About Us—The Edward Jones Dome”

⁸⁵ Ken Belson, “Three N.F.L. Teams Said to Reject Move to Los Angeles,” *New York Times*, December 20, 2014, accessed September 5, 2016, <http://www.nytimes.com/2014/12/21/sports/football/three-teams-said-to-reject-move-to-los-angeles.html>.

⁸⁶ Bernie Miklasz, “Bernie: Nixon has Faith in Plan to Keep Rams Here,” *St. Louis Post-Dispatch*, December 22, 2014, accessed September 5, 2016, http://www.stltoday.com/news/local/bernie-nixon-has-faith-in-plan-to-keep-rams-here/article_0a858490-b7b8-5104-8e1a-92863cbbace.html.

⁸⁷ Office of Missouri Governor Jay Nixon, “Gov. Nixon Names Former Anheuser-Busch President Dave Peacock and Attorney Bob Blitz to Analyze Options for Keeping NFL in St. Louis,” November 5, 2014, accessed September 5, 2016, <https://governor.mo.gov/news/archive/gov-nixon-names-former-anheuser-busch-president-dave-peacock-and-attorney-bob-blitz>.

⁷⁸ HKS Sports and Entertainment, *Rams 2012 Plans: Conceptual Design Outline Program* (May 1, 2015), accessed September 5, 2016,

<http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/d/e1/de126306-9de3-11e1-8abf-001a4bcf6878/4fb136ae537b9.pdf.pdf>.

⁷⁹ HKS Sports and Entertainment, *Rams 2012 Plans: Conceptual Design Plans* (May 1, 2015), accessed September 5, 2016,

<http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/d/e1/de126306-9de3-11e1-8abf-001a4bcf6878/4fb136ae537b9.pdf.pdf>.

⁸⁰ Hathaway, “Rams’ Vision for Dome Could Cost \$700 million.”

⁸¹ Knauf, “If You Build It, Will They Stay?” 485.

⁸² “STLRSA: About Us—The Edward Jones Dome”

core principles. One, the project uses land that is currently in a blighted location and not scheduled for redevelopment. Two, the land needs to be certified for environmental clean-up. Three, construction creates jobs with competitive wages and tries to utilize materials nearby. Four, the project incorporates a plan to continue to utilize the Edward Jones Dome. Five, the stadium is a public asset, not private. Six, the project creates no new tax burden on citizens in the local region or state, including no new tax increase proposals requiring a vote.⁸⁸ Moreover, in regards to keeping the Rams, Governor Nixon declares,

Being an NFL city is a matter of civic and state pride, and make no mistake about it—St. Louis is an NFL city. The economic impact of having an NFL team in St. Louis extends long beyond Sunday afternoon, and sends a clear signal that this city is a worldwide player. I am confident that these two outstanding civic leaders can explore paths forward that will protect taxpayers and ensure private investment.⁸⁹

On January 5, 2015, Stockbridge Capital Group, owners of a 298-acre Hollywood Park site in Englewood, California, announces a partnership between them and Stan Kroenke, Rams Owner, to build a new NFL stadium for Los Angeles.⁹⁰ Kroenke recently purchased the 60 acres adjacent to Hollywood Park and the Forum, previous home of the Los Angeles Lakers (NBA) and Los Angeles Kings (NHL) and now renovated music venue. Wal-Mart sold Kroenke the land after not receiving public approval to build a superstore. Kroenke is a former Wal-Mart board member and husband to Anne Walton Kroenke, daughter of Wal-Mart co-founder Bud Walton.⁹¹ Further, the stadium is part

of a larger development project plan (City of Champions Revitalization Project) that does not use tax dollars, but includes an 80,000 seat stadium with a 6,000 seat performance venue and a reconfigured previously approved Hollywood Park Plan of 890,000 square feet of retail space, 780,000 square feet of office space, 2,500 residential units, 300 hotel rooms, and 25 acres of public space.⁹²

On January 9, 2015, Peacock and Blitz announce a downtown open-air north riverfront stadium, seating 64,000. Above the high-mark of the Mississippi River, the 90-acre stadium project includes a floating riverfront trail, boat docks, and 10,000 parking spaces. The \$860 to \$985 million cost projections include \$200 million from the NFL loan program, \$250 million from Stan Kroenke, \$55 million in state tax credits, \$130 million in personal seat licenses (PSLs) to fans, and \$350 million from bond extensions on the Edward Jones Dome.⁹³ St. Louis City owns 22.5 acres out of the total 90 acres (25%), which includes 33 buildings, mostly vacant, and the preserved 1902 Power and Light Building.⁹⁴ In response to the St. Louis stadium announcement, in an open letter from Hartford to St. Louis, Dan Haar, *Hartford Courant* reporter and columnist, writes,

Don't Do it! . . . Yes, the glitzy renderings look like a salvation, where empty lots and crumbling buildings now stand. But it's not a touchdown. It's a fool's goal chasing an NFL owner who doesn't want to be there, building on land that could someday redefine St. Louis. . . . But the risk of spending taxpayer dollars on a new stadium is hardly the main reason for this warning. The bigger matter is the feel of the city

⁸⁸ Miklasz, "Bernie: Nixon has Faith in Plan to Keep Rams Here."

⁸⁹ Office of Missouri Governor Jan Nixon, "Gov. Nixon Names Former Anheuser-Busch President Dave Peacock and Attorney Bob Blitz to Analyze Options for Keeping NFL in St. Louis."

⁹⁰ Arash Markazi, "Rams Owner Planning L.A. Stadium," *ESPN*, January 5, 2015, accessed September 5, 2016, http://www.espn.com/los-angeles/nfl/story/_/id/12122091/st-louis-rams-owner-planning-stadium-site-los-angeles.

⁹¹ Sam Farmer and Roger Vincent, "Owner of St. Louis Rams Plans to Build NFL Stadium in Inglewood," *Los Angeles Times*, January 5, 2015, accessed September 5, 2016,

<http://www.latimes.com/sports/nfl/la-sp-0105-nfl-la-stadium-20150105-story.html>.

⁹² Markazi, "Rams Owner Planning L.A. Stadium."

⁹³ David Hunn, "Creativity and Hope: How St. Louis Will Fund a \$985 Million Football Stadium," *St. Louis Post-Dispatch*, January 11, 2015, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/creativity-and-hope-how-st-louis-will-fund-a-million/article_0b74d08b-1231-5f28-8d3d-6953dfa4f09d.html.

⁹⁴ David Hunn, "Planners Announce Open-Air, Riverfront NFL Stadium," *St. Louis Post-Dispatch*, January 9, 2015, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/planners-announce-open-air-riverfront-nfl-stadium/article_e1e77d44-59e1-50a1-87f4-17b56c6d233b.html.

itself, and that's where we in Hartford can help our friends in the Show-Me State. Hartford and St. Louis share a lot—river towns built on manufacturing, both with a claim to Mark Twain, both living in the shadow of larger neighbors, both with priceless historic assets, both fighting to keep our downtown districts lively. Sure, you're more than twice our size now, far more of a national city, not to mention a National League city. But that's the point. Way back when, Hartford was the Silicon Valley of America, home of the leading factories, birthplace of your beloved baseball National League. . . . In the middle of the Clinton boom, we lost the big-league hockey team whose arena had displaced old city blocks. We invented a "landing" of our own, named Adriaen's, in the hopes that it would be like your Laclede's. We even waved \$374 million in the face of an NFL owner, offering a downtown, riverfront stadium—a deal hailed with a 'Touchdown!' headline in our newspaper—only to find ourselves mocked again. That spurning by Patriots' owner Bob Kraft was a good thing. We built a college football stadium across the river. We're restocking downtown with smaller companies, arts and culture, and, mostly, new apartments in old buildings. Slowly, it's working. You're way ahead of us, St. Louis. You have the critical mass. You have the Arch. You have the Cardinals and the Blues. You already have a football dome downtown, just 20 years old and now apparently worthless. Don't build another one on your last great stretch of riverfront for just eight big games a year. Those crumbling industrial buildings on the site—the collection, not just the best one—could form the core of a lively, waterfront district, 365 days a year.⁹⁵

On January 26, 2015, the Rams send the St. Louis Convention and Visitors Commission (CVC) official notice of their lease conversion to annual tenancy, which begins April 1, 2015, and ends March 31,

⁹⁵ Dan Haar, "An Open Letter From Hartford to St. Louis: Don't Do It!," *St. Louis Post-Dispatch*, January 14, 2015, accessed September 5, 2016, <http://www.courant.com/business/dan-haar/hc-haar-letter-hartford-st-louis-downtown-stadium-20150114-story.html>.

2016.⁹⁶ As a result, the chairman of the CVC, Andrew Leonard, believes only a "spectacular effort" will keep the Rams since they would rather be in LA.⁹⁷

In late February 2015, the San Diego Chargers and Oakland Raiders propose a joint \$1.7 billion stadium on 168 acres in Carson, California. Even though each team continues to pursue public subsidies and a new stadium in their home markets, the privately financed LA joint venture serves as a back-up plan. The New York Jets and New York Giants are the only teams that currently play in the same stadium, MetLife Stadium, which is part of the Meadowlands Sports Complex in East Rutherford, New Jersey. While the Chargers and Raiders have been seeking stadium subsidy solutions for 14 years and six years respectively, the LA market presents a unique private stadium opportunity with its massive revenue potential and ability to increase the value of a franchise substantially. Moreover, like the Rams and Raiders, the Chargers previously located in LA and played at the Memorial Coliseum as the Los Angeles Chargers, but only for their inaugural season in the American Football League (AFL) in 1960 before relocating to San Diego in 1961.⁹⁸

In early April 2015, Governor Nixon decides to eliminate St. Louis County taxpayers from the new NFL stadium financing plan, removing their \$6

⁹⁶ Kevin Demoff, "Re: Section 16(e)(i) Notice to Convert to Annual Tenancy," St. Louis Rams, LLC., January 26, 2015, accessed September 5, 2016, <http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/9/be/9bef49d8-371d-5465-93d2-69e1fddce864/54c6c8d6122e6.pdf.pdf>.

⁹⁷ David Hunn, "'Spectacular Effort' Would be Needed to Keep Rams, CVC Chairman Says," *St. Louis Post-Dispatch*, January 28, 2015, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/spectacular-effort-would-be-needed-to-keep-rams-cvc-chairman/article_22d31c15-4b3d-58f6-a69a-dc9880358d88.html.

⁹⁸ Sam Farmer, "Raiders, Chargers Plan Joint Venture for New LA Stadium," *Los Angeles Times*, February 20, 2015, accessed September 5, 2016, http://www.stltoday.com/sports/football/professional/raiders-chargers-plan-joint-venture-for-new-la-stadium/article_7b309700-a7df-53d4-92f8-91090a0bc129.html.

million a year contribution. Regardless, St. Louis County Executive, Steve Stenger, would only support county tax dollars through a public vote anyway. Further, opponents of public stadium funding continue to argue against the stadium plan based upon existing laws in both the county and the city.⁹⁹

In May 2001, Fred Lindecke, retired political reporter for the *St. Louis Post-Dispatch*, and Jeannette Mott Oxford, grassroots coordinator and future State Representative (D-St. Louis City), form the Coalition Against Public Stadium Funding. The group encompasses members from all parties and backgrounds, united by their opposition against wasting public funding on assisting millionaires in building stadiums.¹⁰⁰ As a result, on November 5, 2002, a Coalition Against Public Funding for Stadiums referendum passes (55% to 45%), which affects all future professional sport facility public funding.¹⁰¹ Further, on November 2, 2004, the similar St. Louis County charter amendment, Proposition A, passes (72% to 28%).¹⁰²

On April 6, 2015, St. Louis University School of Law Professor and Attorney at Law, John J. Ammann, and three of his student attorneys, Zachary Merkle, Maria DeFer and Erica Mazzotti, send a demand letter to Mr. Winston Calvert, St. Louis City Counselor on behalf of their client, Mr. William White.¹⁰³ Ammann demands,

We represent Mr. William White, a City resident and taxpayer. Mr. White likes the St. Louis Rams and enjoys football generally. However, as a formerly homeless individual, he wants to ensure that the City complies with its own City Code before it commits to using an enormous amount of public funding for the proposed Stadium Project on the North St. Louis riverfront, the project intended for use by an NFL team. . . . The City's Code is nearly identical to the St. Louis County Charter provision, Section 11.160 through Section 11.180. St. Louis County Executive Steve Stenger has stated that public spending on a new stadium would require a public hearing and a vote. Surely, the City would also need public hearing and vote before it could provide financial assistance to the stadium. . . . It would appear that the Stadium Project will not move forward without financial assistance from the City. The longer the City waits before complying with Section 3.91 of the City Code, the greater the urgency for Mr. White to bring legal action to ensure the City complies. If we do not receive a response from you that the City has begun compliance with Chapter. 3.91 by April 12, we will advise Mr. White to take all appropriate legal action. Thank you for your consideration, and we look forward to the fiscal note, public hearing, and public vote that will allow the community to decide the priorities it wants to fund.¹⁰⁴

⁹⁹ David Hunn and Steve Giegerish, "Nixon Pulls St. Louis County Out of New Football Stadium," *St. Louis Post-Dispatch*, April 1, 2015, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/nixon-pulls-st-louis-county-out-of-new-football-stadium/article_07f5ee4a-6154-5cde-9fb7-a3552672ff4a.html.

¹⁰⁰ Eric Click, "The Impact of the Growth Machine on Public Financing of Professional Sports Facilities: The Case of the St. Louis Cardinals" (PhD diss., University of Texas Dallas, 2009), 75.

¹⁰¹ *Ibid.*, 83.

¹⁰² *Ibid.*, 85.

¹⁰³ John J. Ammann, "Re: Stadium Project for a National Football League Team," Clinical Law Offices—Saint Louis University School of Law, April 6, 2015, accessed September 5, 2016, <http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/5/10/5108b2d1-0db7-583f-9a03-3ae8bbe27a13/5524235a83fed.pdf.pdf>.

¹⁰⁴ *Ibid.*

In late May 2015, in response to the possible Raiders/Chargers dual Los Angeles NFL stadium, San Diego Mayor Kevin Faulconer and his stadium planning committee announce plans for a \$1.1 billion stadium that will not increase taxes. However, in this plan, the Chargers and the NFL are accountable for only \$500 million total. The plan includes: \$173 million in bonds, \$121 million from San Diego, \$121 million from San Diego County, \$100 million from ticket surcharges and personal seat licenses, and a city contribution of \$225 million from the projected development sale of the current Qualcomm Stadium site. The Chargers would pay \$1 million per game rent, so at least \$8 million annually

in rent plus possible playoff game rent.¹⁰⁵ Regarding the San Diego stadium proposal, Michael Hiltzik, *Los Angeles Times* Columnist, argues,

San Diego has a right to be appalled. It doesn't have a right to be surprised. This is how the NFL and its teams operate when they're trying to get themselves a new stadium. To their incumbent cities, they dangle their interest in staying on a string; to wanna-be cities, they dangle their interest in relocating. The city of Carson, which is hoping to become the Chargers' new home, should sign up for San Diego's correspondence course in surviving the NFL. Oh, sure, the Chargers say their discontent with the San Diego offer stems from Faulconer's plans to hold a city-only taxpayer vote despite the original financing proposal. (There are no plans for a vote by county taxpayers, who would be on the hook for at least \$121 million.) . . . The fed-up civic leaders see this as mere pretext. They would be totally within their rights to conjecture that if the Chargers really wanted to stay in San Diego—and if the taxpayers put up more money—they'd find a way to do so. The reality is that the Chargers have a free path to leaving San Diego. That's the consequence of a sweetheart deal the community granted the team that has allowed them to break their lease without consequences every year since 2007. They've stayed, at considerable cost to San Diego, which has had to pay for the upkeep of Qualcomm Stadium. Unless you believe that the Chargers, who have appeared in one Super Bowl in their history (and lost), bring some glitter to San Diego that translates into economic gain, the Chargers have been a deadweight loss to the community. Indeed, given its existing drivers of economic growth, including tourism, high-tech industry and the military, San Diego is the very model of a place that doesn't need the NFL. That hasn't kept the team from swanking around as though San Diego might cease to exist

without it. The Chargers' treatment of the community is nothing short of contemptuous.¹⁰⁶

In late June 2015, City Budget Director Paul Payne expresses serious concerns with the Rams tax revenues not covering existing stadium debt. He claims the \$8.5 million raised annually through the St. Louis City hotel-motel tax does not cover existing stadium debt, but instead covers part of the \$17.7 million annual debt of the south wing of the convention center. Further, Payne contends the Rams generate \$4.2 million annually through ticket sales, payroll, concession, etc., which is only two-thirds of the \$6 million annually paid by the city on the stadium debt and maintenance. Overall, the two taxes dedicated to the convention center and stadium debt, 3.5% hotel tax and 1% restaurant tax, generate less than \$15 million annually towards the combined \$23.5 million debt payments. Moreover, he adds the current stadium actually prevents the city from securing conventions.¹⁰⁷

In early July 2015, NFL market data reveals St. Louis fans will generally support a new stadium, especially through a willingness to pay for new PSLs. The one-time seat licenses, required for annual season tickets, project revenue of \$500 to \$40,000 each, totaling \$200 million towards the new stadium. However, the data also reveals NFL concerns. One, while fans and corporations initially supported the Rams after their move from Los Angeles through season ticket purchases, the season ticket purchases and support declined as the Rams continued to lose. Two, Rams average season ticket prices rank 22nd, 28th in average club seat price, and fourth-lowest in average annual attendance the last

¹⁰⁵ Jason Notte, "Opinion: San Diego is About to Get Hosed by the Chargers and the NFL," *MarketWatch*, May 22, 2015, accessed September 5, 2016, <http://www.marketwatch.com/story/san-diego-is-about-to-get-hosed-by-the-chargers-and-the-nfl-2015-05-22>.

¹⁰⁶ Michael Hiltzik, "San Diego Nightmare: Tell Me Again Why Any City Would Do Business With the NFL," *Los Angeles Times*, June 19, 2015, accessed September 5, 2016, <http://www.latimes.com/business/hiltzik/la-fi-mh-san-diego-dreamin-nfl-20150619-column.html>.

¹⁰⁷ David Hunn, "Football Tax Revenues Don't Cover Existing Debt on Dome, Says City Budget Director," *St. Louis Post-Dispatch*, June 30, 2015, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/football-tax-revenues-don-t-cover-existing-debt-on-dome/article_eedfbcd9-d7fc-5440-9cab-4da38cad28e7.html.

five years. Three, the Rams are second in team popularity to the Cardinals.¹⁰⁸

In early August 2015, Missouri Circuit Court Judge Thomas Frawley declares the St. Louis City ordinance requiring a public vote invalid, while also finding the new proposed riverfront stadium be located “adjacent” to the convention center.¹⁰⁹ In the 34-page court ruling, Judge Thomas writes,

It is clear the intent of the Ordinance is to provide the voters of the City of St. Louis with authority to approve the City’s financial assistance to development of a new professional sports facility. However, the fatal flaw in the Ordinance is not in what it says but in what it doesn’t say. Therefore, to render the Ordinance valid, the Court must add to, not strike from, the Ordinance to cure its vagueness. Notwithstanding the severability clause of the Ordinance, the Court is not justified in ‘rewriting the Ordinance’ even if the Court somehow could be sure that this is what the legislature would have done.¹¹⁰

Further, while St. Louis City public officials, especially the mayor’s office, consider the options relative to still conducting a public vote on the stadium funding,¹¹¹ Fred Lindecke, Coalition Against Public Stadium Funding co-founder, advocates,

¹⁰⁸ David Hunn, “NFL Study Indicates St. Louis Fans Will Support a New Stadium,” *St. Louis Post-Dispatch*, June 8, 2015, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/nfl-study-indicates-st-louis-fans-will-support-a-new/article_84ceb60d-4e72-5834-8331-783b461a750e.html.

¹⁰⁹ *Regional Convention and Sports Complex Authority v. City of St. Louis*, No. 1522-CC00782 (CC. MO. 2015), accessed September 5, 2016, <http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/a/71/a7116828-ac39-5c13-ab82-0a558fb68353/55bfaef6e79eb.pdf>.

¹¹⁰ *Ibid.*, 32.

¹¹¹ David Hunn, “Judge Says No Vote Needed on St. Louis Stadium Funding; Peacock Calls On Region To ‘Rally,’” *St. Louis Post-Dispatch*, August 3, 2015, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/judge-says-no-vote-needed-on-st-louis-stadium-funding/article_51c33b67-9b72-5055-ba56-94cc9e1b46e2.html.

The people voted. And now the judge has said forget all that. It makes me angry. The law is as clear and straightforward as you can get. It covers every kind of technique known to man for getting into the taxpayer’s pocket. And it says very clearly, without ambiguity, that people have a right to vote before any of their tax money is used to build a stadium. I would hope that someone in city government would be as upset as I am, and would try to do something about it.¹¹²

In mid-August 2015, the Missouri Development Finance Board (MDFB) approves \$15 million in state tax credits for the new NFL stadium, which would increase to \$50 million over three years.¹¹³ At this point, Mayor Francis Slay contends a St. Louis City public vote is not needed relative to stadium public funding nor will he call for one, especially after a judge invalidates the St. Louis City ordinance.¹¹⁴ Relative to keeping the Rams, Mayor Slay conveys,

Having an NFL team in a city is really, I think, a huge amenity. It’s one of the things that make living in a big city fun. I’m not going to sit here and say that we can prove that money going into this—that we’re going to get out, in dollars and cents, what we’re putting into it. But I do think it’s a good investment in the city and its future. People like NFL football. They want a team that they can support, whether they go to the games or not. It has a lot to do with big-city pride. We need leadership. And I believe very strongly that people want a football team. I think it’s time to step up, take a position, and lead. And that’s what I’m doing.¹¹⁵

¹¹² *Ibid.*

¹¹³ Brian Feldt, “State Approves Tax Credits for Proposed NFL Stadium,” *St. Louis Business Journal*, August 18, 2015, accessed September 5, 2016, <http://www.bizjournals.com/stlouis/news/2015/08/18/state-approves-50-million-for-proposed-nfl-stadium.html>.

¹¹⁴ David Hunn, “Slay: Stadium is a Good Deal for the City,” *St. Louis Post-Dispatch*, August 6, 2015, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/slay-stadium-is-a-good-deal-for-the-city/article_582a1863-2392-5eb8-bbc4-5219dae486ea.html.

¹¹⁵ *Ibid.*

In early September 2015, longtime St. Louisans Dan Dierdorf and Joe Buck continue to vent their frustration with the ongoing Rams saga, particularly with Stan Kroenke.¹¹⁶ Dierdorf is a St. Louis Cardinals Football Hall of Famer, former NFL broadcaster¹¹⁷, and former CVC Chairman.¹¹⁸ Buck is a lead NFL broadcaster, MLB broadcaster, and son of legendary baseball announcer and St. Louis Cardinals Hall of Famer, Jack Buck.¹¹⁹ Relative to the Rams staying in St. Louis, Buck declares,

I think it's also the team's responsibility. And this team has been terrible. It's always a new year with the same result. I think that's asking a lot of an average fan to get excited about going to a game when they can sit at home and get it on high definition. . . . Your team has got to be competitive and dynamic. They don't even have anyone they can put on a billboard right now. . . . There is not enough happening here, and to become a non-NFL city is frightening.¹²⁰

Dierdorf adds,

I wish the Rams would have tried harder to be part of the community, and extended more of an effort over the years that they've been here, especially when we have an owner who won't even talk to a city who gives him so much. And when you see a man like Kroenke whose net

worth is something like \$15 billion, that's a hard sell. Wouldn't you love for Stan to say something? I like him, but I think he dropped the ball on this one. We deserve to be treated better than we have been treated.¹²¹

In early October 2015, the new proposed stadium becomes National Car Rental Field. The 20-year naming rights deal is worth \$7.9 million yearly, totaling \$158 million.¹²² The Missouri Department of Economic Development (DED) also authorizes \$43,279,563 in Brownfield Tax Credits, which are eligible to environmental improvement developments.¹²³ At the same time, NFL owners approve Kroenke's professional sports cross-ownership, which maintains his Rams ownership and transfers both Denver Nuggets (NBA) and Colorado Avalanche (NHL) ownership to his wife, Anne Walton Kroenke. The NBA and NHL team operations become the responsibility of his son, Josh Kroenke.¹²⁴

On October 27, 2015, St. Louis Rams citizens, primarily fans, plead their case to NFL executives at a public hearing held at the Peabody Opera House. The same hearings occur in San Diego on October 28, 2015, and in Oakland on October 29, 2015. NFL relocation guidelines, the same guidelines citizens question and express frustration with throughout the

¹¹⁶ Christine Byers, "Buck, Dierdorf Blast Kroenke During Police Fundraiser," *St. Louis Post-Dispatch*, September 9, 2015, accessed September 5, 2016, http://www.stltoday.com/sports/buck-dierdorf-blast-kroenke-during-police-fundraiser/article_ae580e01-f80d-5697-ae4-ddd0e3a226c0.html.

¹¹⁷ Dan Caesar, "Notion of St. Louis as 'Only a Baseball City' Riles Buck, Dierdorf," *St. Louis Post-Dispatch*, January 16, 2015, accessed September 5, 2016,

http://www.stltoday.com/entertainment/television/dan-caesar/notion-of-st-louis-as-only-a-baseball-city-riles/article_6c00b28e-05c0-5524-a4ba-6c7a3e258985.html.

¹¹⁸ Dan Caesar, "Buck Says 'There's Hope' For St. Louis NFL Efforts," *St. Louis Post-Dispatch*, January 23, 2015, accessed September 5, 2016,

http://www.stltoday.com/entertainment/television/dan-caesar/buck-says-there-s-hope-for-st-louis-nfl-efforts/article_7beac1e7-9ca0-5d6e-aeda-7741767d173a.html.

¹¹⁹ Caesar, "Notion of St. Louis as 'Only a Baseball City' Riles Buck, Dierdorf."

¹²⁰ Byers, "Buck, Dierdorf Blast Kroenke During Police Fundraiser."

¹²¹ *Ibid.*

¹²² David Hunn, "Proposed Riverfront Stadium Gets a Name: National Car Rental Field," *St. Louis Post-Dispatch*, October 7, 2015, accessed September 5, 2016, http://www.stltoday.com/news/local/metro/proposed-riverfront-stadium-gets-a-name-national-car-rental-field/article_2320de7e-3dbe-54e7-9daf-33796140dd4e.html.

¹²³ Mike Downing, "Re: Conditional Authorization of Brownfield Tax Credits—New Riverfront Stadium Complex," Missouri Department of Economic Development, October 7, 2015, accessed September 5, 2016, <http://media.bizj.us/view/img/7280642/conditional20authorization20brownfield20tax20credits20riverfront20stadium20final.pdf>.

¹²⁴ Brian Feldt, "NFL Owners Approve Kroenke's Cross-Ownership Plan," *St. Louis Business Journal*, October 7, 2015, accessed September 5, 2016, <http://www.bizjournals.com/stlouis/news/2015/10/07/nfl-owners-approve-kroenke-s-cross-ownership-plan.html>.

public hearings, actually require the public hearings.¹²⁵

On November 11, 2015, in New York City, St. Louis, along with San Diego and Oakland, present their cases to the NFL's Los Angeles, stadium and finance committees for keeping their teams and avoiding relocation to Los Angeles. Each team presentation lasts for 45 minutes plus question and answer. The St. Louis meeting lasts approximately two hours, which also includes St. Louis Rams officials. Kroenke does not ask the presenters any questions.¹²⁶ Relative to the presentation, presenter Dave Peacock shares,

I doubt our presentation could have gone much better. The owners and league officials in the meeting were generous with their time and thoughts on our stadium proposal, and for that we are extremely appreciative. As anticipated, we were asked a lot of good questions, and there is no question we had the right team in the room to respond on behalf of St. Louis.¹²⁷

In late November 2015, St. Louis Comptroller Darlene Green announces that she opposes the stadium financing plan put forth to the Board of Alderman, which "is not fiscally responsible." She is primarily concerned with the plan creating a funding shortage for St. Louis City, which could hurt the city credit rating. If the bill is passed, she proposes Missouri creates a state sports authority for stadium financing and/or the city partner with regional businesses for additional funding. Along with Mayor Francis Slay and Board of Alderman President Lewis Reed, Green is a member of the three-person Board of Estimate and Apportionment, which

approves real estate, appropriations and the operating budget.¹²⁸

On December 3, 2015, Dave Peacock, as a guest columnist, writes a piece for the *St. Louis American*, a weekly newspaper serving the African-American community, advocating for the new stadium and the future of St. Louis. He contends the stadium proposal financing does not put the St. Louis City credit at risk, and is simply a continuation of the \$6 million a year already paid to the current stadium plus two thirds of new stadium tax generation. The city is only 15% of the total project funding since \$850 million in funding comes from sources outside the city. The total funding creates 3,000 construction jobs and 2,600 part-time game-day jobs. Further, relative to minorities and the inclusion plan, two objectives exist: "any minority firm involved must come out as strong, or stronger, at the conclusion of the project; and we must create careers, not jobs, for minorities."¹²⁹ As a result, this project creates 800 minority city jobs, resulting in \$120-\$140 million in minority wages through minority-owned firms.¹³⁰ Relative to the inclusion plan and the overall stadium plan, Peacock concludes,

We have offered to the Board of Aldermen an opportunity to improve the plan and make it an amendment to the financing bill to further enhance the effectiveness of the program. Colin Powell has said that optimism is a force multiplier. It is up to us to change our future. A football stadium will not itself make changes for everyone, but \$3 billion spent on development in our downtown and North City—with an aggressive minority inclusion plan and effective oversight—can help change lives. It is up to us to make prudent decisions, fueled by forward-

¹²⁵ Jim Thomas, "Emotional Rams Fans Plead Case to NFL," *St. Louis Post-Dispatch*, October 28, 2015, accessed September 5, 2016, http://www.stltoday.com/sports/football/professional/emotional-rams-fans-plead-case-to-nfl/article_aae2a5fc-cbab-51e0-a875-d3e29d6024d3.html.

¹²⁶ Brian Feldt, "Peacock on NFL Meeting: I Doubt Our Presentation Could Have Gone Much Better," *St. Louis Business Journal*, November 11, 2015, accessed September 5, 2016, <http://www.bizjournals.com/stlouis/news/2015/11/11/peacock-on-nfl-meeting-i-doubt-our-presentation.html>.

¹²⁷ Ibid.

¹²⁸ Staff Reports, "St. Louis Comptroller to Oppose Stadium Financing Bill," *St. Louis Post-Dispatch*, November 21, 2015, accessed September 5, 2016, http://www.stltoday.com/business/local/st-louis-comptroller-to-oppose-stadium-financing-bill/article_ff45363a-ccbc-5e46-abd9-b9d01d35dc5e.html.

¹²⁹ Dave Peacock, "The New Stadium and the Future St. Louis," *St. Louis American*, December 3, 2015, accessed September 5, 2016, http://www.stlamerican.com/business/business_opinion/the-new-stadium-and-the-future-st-louis/article_90c36708-9957-11e5-a13b-ff1bb13255c1.html.

¹³⁰ Ibid.

thinking optimism, and recognize that it is the sum of many parts that make a city great.¹³¹

On December 4, 2015, based upon the recommendations of the Committee on Los Angeles Opportunities, the NFL sends a deadline letter to the St. Louis stadium taskforce. The letter reminds them that teams can file for relocation starting January 4, 2016, so a special meeting of team owners will be held on January 12 and 13 to consider applicable applications. As a result, for complete consideration of the possible team relocation requests to Los Angeles, all cities, including St. Louis, must submit their non-relocation proposals by Wednesday, December 30, 2015.¹³² Relative to the specific proposal requirements, Eric P. Grubman, NFL Executive Vice President, writes,

The Committee would like to ensure that the membership has the most current and complete information to inform those discussions and therefore invites you to provide, in writing, your proposal to the club (including any modifications from your last proposal) for consideration by the Committee and membership. We request that the proposal include, to the extent possible, (i) a detailed outline of all material terms, financial and otherwise, (ii) specific details of the sources and uses for project construction, (iii) identification of the authority necessary to secure public contributions (including approvals already received, and projected timing of obtaining an additional approvals), and (iv) the timing and steps necessary, and remaining risks, if any, for you to execute the deal on the terms outlined.¹³³

On Thursday, December 10, the nine-person St. Louis Ways and Means Committee votes 7-2 to move the Stadium Bill (Board Bill 219) to the 28-

member Board of Alderman.¹³⁴ After the vote, St. Louis Alderwoman Megan Ellyia Green, stadium public funding opponent, alleges “corruption” at City Hall via Twitter. She claims she “had loved ones offered bribes for my support” and “I’m not alone.”¹³⁵ On December 14, 2015, Board of Alderman President Lewis Reed considers possible reprimands relative to Green’s stadium statements, which he believes “she clearly has lied about this.”¹³⁶ The reprimands could include a formal resolution by the board admonishing her comments and/or dismissal from subcommittees. Further, according to St. Louis Police Chief Sam Dotson, he and the FBI found the allegations unsubstantive, resulting in no criminal investigations by either the FBI or St. Louis Police Department.¹³⁷ Through a statement, Green states she did “what I’d expect of any representative of the people to do. I’d hoped that I would be taken seriously even if there is not legally actionable evidence of corruption or bribery.”¹³⁸

On December 14, 2015, the Editorial Board of the *Kansas City Star* expresses concerns about the legislative approach used by Gov. Jay Nixon on the St. Louis stadium proposal. Not only is the Missouri General Assembly opposed to state authorization of funds without legislative approval or a public vote, but the proposed St. Louis stadium funding is significantly more than the \$50 in tax credits Missouri granted Jackson County to renovate

¹³⁴ Nicolas J.C. Pistor, “St. Louis Stadium Proposal Gets Crucial Backing From Aldermanic Committee,” *St. Louis Post-Dispatch*, December 10, 2015, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/st-louis-stadium-proposal-gets-crucial-backing-from-aldermanic-committee/article_048b4d76-c0b4-518a-b0ab-87063914a15f.html.

¹³⁵ Jacob Kim, “Alderwoman Alleges ‘Corruption,’ Bribes Following Stadium Vote,” *St. Louis Business Journal*, December 10, 2015, accessed September 5, 2016, <http://www.bizjournals.com/stlouis/news/2015/12/10/alderwoman-alleges-corruption-bribes-following.html>.

¹³⁶ Nicolas J.C. Pistor, “Lewis Reed Considering Reprimand of St. Louis Alderman Over Stadium Flap,” *St. Louis Post-Dispatch*, December 14, 2015, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/lewis-reed-considering-reprimand-of-st-louis-alderman-over-stadium/article_dfe3e49d-235b-595b-a9a9-84c393297b09.html.

¹³⁷ *Ibid.*

¹³⁸ *Ibid.*

¹³¹ *Ibid.*

¹³² Eric Grubman, “Dear Governor Nixon, Dave, and Bob:” National Football League, October 4, 2015, accessed September 5, 2016, <http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/c/51/c5192372-6f84-5d72-8caf-9ecb9130921f/5662300d7897a.pdf.pdf>.

¹³³ *Ibid.*

Arrowhead (NFL) and Kauffman (MLB) stadiums. Local taxpayers paid for 80% of the \$575 million in stadium upgrades.¹³⁹ The *Kansas City Star* Editorial Board writes,

It's reasonable for Missourians on the west side of the state to ask what services might have to be sacrificed in an already stretched budget to pay for bond payments and tax credits for a new St. Louis stadium. Nixon, along with some city and statewide business leaders, contends that all efforts should be made to preserve St. Louis' standing as an NFL city. A new stadium would revive a downtrodden area of the city and create a bonanza of temporary and permanent jobs, the governor claims. Indeed, there may be a case to be made for a new stadium. But Nixon should have done more to make it to lawmakers. His insistence on barging forward without a serious effort to overcome legislative resistance might have created an unmovable obstacle.¹⁴⁰

On December 15, 2015, after five hours of debate, the Board of Aldermen approve (17-10) the Stadium Bill¹⁴¹ despite last minute changes. The NFL now pledges an additional \$100 million toward stadium construction—\$300 million total, but St. Louis City now rebates back all ticket taxes (\$3 million yearly projection) to the Rams or another NFL tenant. Plus, the football team now pays rent of \$1.5 million yearly instead of \$700,000, which helps support construction bonds. Further, last month, the stadium task force redirected the \$8 million-dollar annual stadium naming rights to the team, totaling \$158 million. The final vote on of the Stadium Bill occurs December 18, 2015, and requires a 15-vote approval.¹⁴²

¹³⁹ Editorial Board, "Gov. Nixon's Go-It-Alone Approach Wrong Way on St. Louis Stadium Deal," *Kansas City Star*, December 14, 2015, accessed September 5, 2016, <http://www.kansascity.com/opinion/editorials/article49755080.html>.

¹⁴⁰ Ibid.

¹⁴¹ "Board Bill #219," St. Louis Board of Alderman, December 15, 2015, accessed September 5, 2016, <http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/3/0d/30dc6370-95f0-55b6-a7bb-39683e59027d/567058a8cc414.pdf.pdf>.

¹⁴² David Hunn and Nicolas J.C. Pistor, "St. Louis Aldermen Push Riverfront Stadium Deal Forward After Last-Minute Changes," *St. Louis Post-Dispatch*, December 16, 2015,

On December 16, 2015, the St. Louis Board of Estimate and Apportionment approve the Stadium Bill with a vote of 2 to 1. Aldermanic President Lewis Reed and Mayor Francis Slay votes yes, and Comptroller Darlene Green votes no. Green does not find the deal to be fiscally responsible.¹⁴³

On December 19, 2015, the Board of Aldermen passes (17-10) the Stadium Bill. However, NFL Commissioner Goodell warns that the NFL only assists teams in new stadium construction with a maximum of \$200 million, not the \$300 million factored into the bill financing.¹⁴⁴ Aldermanic President Lewis Reed advocates, "Passage of this financing proposal keeps us in the running for a billion-dollar investment on our riverfront and the job opportunities that would come with it. If the NFL approves and Kroenke does not, it could at the least prevent relocation of the team and the tax revenue it creates."¹⁴⁵

By December 30, 2015, St. Louis, San Diego, and Oakland provide submissions on team non-relocation and new stadium viability for NFL consideration. While Oakland did not submit a formal proposal, a letter outlines the city's market strength and stadium concepts.¹⁴⁶ San Diego provides a 41-page letter,¹⁴⁷ which outlines a

accessed September 5, 2016,

http://www.stltoday.com/news/local/metro/st-louis-aldermen-push-riverfront-stadium-deal-forward-after-last/article_2bc95b00-479f-50d1-b9f1-396140e3ebfd.html

¹⁴³ Jacob Kim, "Another City Board Oks Stadium Financing Plan, But Comptroller Calls It Bad Deal," *St. Louis Business Journal*, December 16, 2015, accessed September 5, 2016, <http://www.bizjournals.com/stlouis/blog/2015/12/another-city-board-oks-stadium-financing-plan-but.html>.

¹⁴⁴ Nicolas J.C. Pistor, "St. Louis Approves Financing Package for New Football Stadium," *St. Louis Post-Dispatch*, December 19, 2015, accessed September 5, 2016,

http://www.stltoday.com/news/local/govt-and-politics/st-louis-approves-financing-package-for-new-football-stadium/article_a9644b56-3abf-5dda-bcd9-8f54805560a3.html.

¹⁴⁵ Ibid.

¹⁴⁶ Nathan Fenno, "San Diego Sends Plan for New Chargers Stadium to NFL," *Los Angeles Times*, December 30, 2015, accessed September 5, 2016, <http://www.latimes.com/sports/lasp-sn-san-diego-stadium-plan-nfl-20151230-story.html>.

¹⁴⁷ Kevin L. Faulconer, "San Diego: A Premier Home For the NFL- Report to the NFL Committee on Los Angeles Opportunities: December 30, 2015," San Diego Office of the Mayor, December 30, 2015, accessed September 5, 2016,

previously released proposal to fund a \$1.1 billion new stadium through a city and county total contribution of \$350 million—pending a public vote.¹⁴⁸

The St. Louis submission is 400 pages, which includes: financial term sheet, St. Louis City Stadium Bill and financing plan, details of Missouri tax credits, architectural designs, letters of support, market data, and land acquisition.¹⁴⁹ David Hunn, *St. Louis Post-Dispatch* journalist, shares,

The financing plan is largely unchanged from that proposed to city aldermen two weeks ago. But it spells out a few key specifics: The new stadium could expand to accommodate up to 72,000 seats for events such as a Super Bowl, 10,000 more than normal game-day operations. The public stadium authority would cooperate with the Rams on stadium design. And the new plan spells out that the Rams would get all stadium revenue, including naming rights—but would pay all stadium operating and capital expenses.¹⁵⁰

Further, the proposed sources and uses of funds total \$1,110,400,000. First, sources of funds are broken down into net private sources and net public sources. One, net private sources (\$550,000,000) include: NFL team ownership (\$250,000,000) and NFL G4 Program (\$300,000,000). Second, net public sources (\$560,400,000) which are contingent upon private sources, include: State/RSA public bonds proceeds (\$226,300,000), City project bond proceeds (\$70,400,000), Brownfields Tax Credits proceeds (\$41,100,000), MDFB contribution tax credits proceeds (\$47,500,000), RSA funds spent to date (\$14,700,000), and proceeds from sale of seat licenses (\$160,400,000). Second, proposed uses of

funds includes: stadium construction (\$917,900,000), site and riverfront development (\$76,500,000), parking construction—garage only (\$24,800,000), land acquisition (\$53,000,000), site clearing and remediation (\$17,600,000), and relocations (\$20,600,000). Note, these sources and figures do not include the St. Louis City amusement tax rebate (present value of \$65 million), which is rebated annually to assist in rent and operating and capital expenses.¹⁵¹

On January 4, 2016, the Rams, Chargers, and Raiders all officially apply for Los Angeles relocation to the NFL.¹⁵² The Rams 29-page relocation application proposal argues its case through three key reasons: first, “the Rams Inglewood, California project provides the league with the best opportunity for success in Los Angeles;” secondly, “the Rams have a contract right to relocate from St. Louis;” and thirdly, “relocating the Rams from St. Louis to Los Angeles will strengthen the league.”¹⁵³ In particular, relative to St. Louis, the proposal contends both San Diego and Oakland are significantly better markets, St. Louis cannot support three professional teams, financial team investments have not improved the market financial performance, and relocation of the Rams supports tradition and does not require NFL division realignment.¹⁵⁴ Relative to the Rams relocation proposal, Sam Farmer and Nathan Fenno, *Los Angeles Times* reporters, state,

¹⁵¹ “St. Louis Rams NFL Stadium Project Proposal Summary: December 30, 2015,” St. Louis Stadium Taskforce, December 30, 2015, accessed September 5, 2016, <http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/f/14/f1423231-4880-5b06-a7e9-9e282e1dee3c/5682d6ccee0de.pdf.pdf>.

¹⁵² David Hunn, “Rams Apply For Move to L.A.; NFL Confirms San Diego, Oakland, Too,” *St. Louis Post-Dispatch*, January 5, 2016, accessed September 5, 2016, http://www.stltoday.com/news/local/metro/rams-apply-for-move-to-l-a-nfl-confirms-san-diego-oakland-too/article_9e860f52-b40d-58b9-9276-5734707bc1cf.html.

¹⁵³ “Statement of Reasons in Support of the Rams’ Application to Relocate to Los Angeles: January 4, 2016,” St. Louis Stadium Taskforce, January 4, 2016, accessed September 5, 2016, <http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/1/66/166ae24b-5d42-58e4-a7dd-cd6318780091/568c796016a08.pdf.pdf>.

¹⁵⁴ *Ibid.*

<https://assets.documentcloud.org/documents/2662195/San-Diego-s-letter-to-NFL-committee.pdf>.

¹⁴⁸ Fenno, “San Diego Sends Plan for New Chargers Stadium to NFL.”

¹⁴⁹ David Hunn, “St. Louis Stadium Plan Arrives at NFL Offices; San Diego, Oakland, Follow Suit,” *St. Louis Post-Dispatch*, December 30, 2015, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/st-louis-stadium-plan-arrives-at-nfl-offices-san-diego/article_37456d43-797d-5da8-a015-037ed26b708b.html.

¹⁵⁰ *Ibid.*

The Rams envision the stadium forming the hub of NFL activity on the West Coast. It includes the stadium—which would be nearly 3 million square feet—hosting the combine and Pro Bowl. The neighboring performance venue could be home to the NFL draft, NFL Honors and other league-themed events such as NFL Films premieres. Some of the office space in the planned mixed-use development around the stadium could accommodate the NFL Network, NFL Media and NFL Digital, allowing them ‘dynamic new space just three miles from their current Culver City location.’¹⁵⁵

On January 6, 2016, in response to the Rams relocation application, Mayor Slay writes a letter to Commissioner Goodell, primarily concerning the inaccuracies and misrepresentation of St. Louis and the Rams. First, Slay, who has been mayor since 2001, points out that the Rams have not attempted in good faith to achieve a St. Louis stadium solution since 2002, including the fact that he has not even met Kroenke, much less had a discussion with him. Second, Slay argues the viability of the St. Louis market, which includes: headquarters of six of the largest U.S. private companies, 19 Fortune 1000 headquarters, and rank of 20th in U.S. metropolitan areas for both total employment and total personal income. St. Louis also ranks 20th out of 32 NFL markets in employment and personal income, similarity in NFL media markets, and cost of living is much lower than the average NFL market—increases purchasing power.¹⁵⁶ Slay offers,

As a lifelong St. Louis resident and 30-year public servant, I can assure you that St. Louis is a nationally recognized sports town. Our business community is strong and bright, and I always stand ready to engage with the leadership of any business or venture to ensure that they can prosper and take full advantage of

¹⁵⁵ Sam Farmer and Nathan Fenno, “St. Louis Rams’ Relocation Bid Contends They Have the Best Plan for L.A. and NFL,” *Los Angeles Times*, January 5, 2016, accessed September 5, 2016, <http://www.latimes.com/sports/nfl/la-sp-nfl-rams-relocation-plan-20160105-story.html>.

¹⁵⁶ Francis Slay to Roger Goodell, January 6, 2016, accessed September 5, 2016, <http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/4/a1/4a1a797c-c73b-5246-a111-9c0620da65a6/568ea67a2b63a.pdf.pdf>.

everything our market has to offer. To that point, I have been and will always be ready and willing to engage with Stan Kroenke to forge the best possible future for the Rams and the NFL here in St. Louis. I would welcome the opportunity to discuss this matter in more detail. While I remain extremely unhappy at the portrayal of St. Louis in the Rams’ relocation submission, I am hopeful—if not confident—that the NFL will do the right thing.¹⁵⁷

On January 7, 2016, the CVC St. Louis NFL Stadium Task Force sends a letter to the NFL and all team owners disputing the Rams relocation application claims through three primary responses.¹⁵⁸ One, the new St. Louis stadium proposal is viable and financially attractive to both the Rams and NFL. Two, the Rams make false claims relative to the lease, arbitration, and their impact on relocation. Three, the St. Louis market is strong and viable relative to three professional teams.¹⁵⁹ The CVC St. Louis NFL Stadium Task Force concludes,

We were not prepared, however, for the cruel attack and false claims made by our local team owner, to his League peers, in an attempt to punish and embarrass St. Louis—a city whose residents and businesses have loyally supported the Rams for more than two decades. No matter the justification for relocation—and the falsehoods in the Statement of Reasons strongly suggest the Rams have no justification to vacate St. Louis—the style in which their point was made was unprecedented, personal, groundless and unbecoming of a steward representing what we feel is the greatest professional sports league

¹⁵⁷ Ibid.

¹⁵⁸ David Hunn, “Task Force Lambastes Kroenke for ‘Cruel Attack,’” *St. Louis Post-Dispatch*, January 9, 2016, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/task-force-lambastes-kroenke-for-cruel-attack/article_28628f46-3f3f-55ba-a65c-e0637fdaa28e.html.

¹⁵⁹ St. Louis Regional Convention and Sports Complex Authority St. Louis NFL Stadium Task Force, “Response to Rams’ Application to Relocate to Los Angeles,” CVC St. Louis Stadium Task Force, January 7, 2016, accessed September 5, 2016, <http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/c/70/c709b569-c854-540f-9b1e-d78925e97799/568feb8c3725e.pdf.pdf>.

in the world. But, we want to assure the NFL of this: St. Louis can, and will, work with Stan Kroenke. No irreparable harm has been done to our relationship or the potential to forge a true partnership that will serve the NFL, the Rams and St. Louis for decades to come. St. Louis is an NFL town. It is home to the St. Louis Rams and our team owner is Mr. Kroenke. We look forward to the next chapter and sincerely appreciate you taking the time to consider our response.¹⁶⁰

On January 22, 2016, after a first vote (20-12) fails to get the necessary three-fourths approvals, the NFL owners approve (30-2) the relocation of the Rams from St. Louis to Los Angeles.¹⁶¹ Further, relative to the NFL resolution,¹⁶² after over 10 hours of presentations and negotiations, the owners also agree to allow the San Diego Chargers to relocate. However, the relocation is not to the Carson, California, joint stadium with the Oakland Raiders, but instead as a tenant in the Ram's Inglewood stadium. If San Diego declines this option, the Raiders can then consider this option. In addition, the Rams and any other team moving to LA pay a \$550 million relocation fee. Moreover, if either the Chargers or Raiders stay in their current hometown, the NFL promises an additional \$100 million, so \$300 million total, towards new stadium construction costs.¹⁶³ Relative to the Rams relocation decision, Commissioner Goodell exclaims, "We have the return of the Los Angeles Rams to their home. We have a facility that is going to be absolutely extraordinary in the Los Angeles market that I think fans are going to absolutely love. And I think it's going to set a new bar for all sports,

quite frankly. And, that, we're very proud of."¹⁶⁴ Kroenke adds, "It truly is bittersweet. I grew up in Missouri, and there's a lot of wonderful people in St. Louis and Missouri. I'll always feel that way about Missouri. I never dreamed I'd be put in this position. But at the same time, you're not going to sit there and be a victim."¹⁶⁵

Upon the relocation, the Rams instantly double in value to nearly \$3 billion, ranking the team as not only one of the most valuable in the NFL but globally in professional sports. In September 2015, *Forbes* values the Rams at \$1.45 billion, ranking 28th out of 32 NFL teams.¹⁶⁶ Relative to the Rams valuation, Michael Ozanian, *Forbes's* Executive Editor, contends,

That valuation incorporated the fact they were portable. We didn't know they were going to Los Angeles specifically but we knew they were portable. That value assumed they had the ability to leave. It doubles the value of the team. The stadium is like a giant video console being plopped down in L.A. I don't believe the biggest challenge is 'how do I sell tickets?' it's 'how do I market suites and hospitality when I have two different teams from outside markets?' That's never been done before. Here in New York you have the Giants and Jets sharing a stadium but they were both entrenched franchises that have been here for years, so you knew who their core fan bases were. Now you have two outside fan bases coming in to share a stadium.¹⁶⁷

¹⁶⁰ Ibid.

¹⁶¹ David Hunn, "Goodbye, St. Louis Rams; Next Stop, LA," *St. Louis Post-Dispatch*, January 13, 2016, accessed September 5, 2016, http://www.stltoday.com/sports/football/professional/goodbye-st-louis-rams-next-stop-la/article_ae537abe-8471-5ac3-9edc-2c3174ce7fd9.html.

¹⁶² NFL, "2016 Resolution G-2A," National Football League, accessed September 5, 2016, <http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/4/e8/4e89755a-e514-5bcc-992b-56898aa36dd9/5695dac51bfde.pdf.pdf>.

¹⁶³ Hunn, "Goodbye, St. Louis Rams."

¹⁶⁴ Ibid.

¹⁶⁵ Sam Farmer and Nathan Fenno, "Q&A: Stan Kroenke Discusses His Picture-Perfect Vision For the L.A. Rams," *Los Angeles Times*, January 13, 2016, accessed September 5, 2016, <http://www.latimes.com/sports/nfl/la-sp-nfl-la-kroenke-20160114-story.html>.

¹⁶⁶ Neil Greenberg, "Rams Worth Almost \$3 Billion After Move to Los Angeles," *Washington Post*, January 19, 2016, accessed September 5, 2016, https://www.washingtonpost.com/news/fancy-stats/wp/2016/01/19/rams-worth-almost-3-billion-after-move-to-los-angeles/?postshare=261453231558387&tid=ss_tw.

¹⁶⁷ Ibid.

Further, in 2016, *Forbes* ranks Rams Owner Stanley Kroenke the richest person in Missouri¹⁶⁸ and 148th in the world's billionaires with \$7.7 billion in net worth.¹⁶⁹ *Forbes* states,

Stan Kroenke took the NFL back to Los Angeles—and made hundreds of millions of dollars in the process. In August 2016 the Rams resumed playing in the city, which was the team's home for nearly five decades before they moved to St. Louis in 1995. Thanks to the massive Los Angeles market, *Forbes* estimates the value of the Rams jumped nearly \$700 million in a single year. But Kroenke reportedly agreed to transfer two Denver sports franchises, the NBA's Nuggets and NHL's Avalanche—worth more than \$1.2 billion—to his wife, Wal-Mart heiress and fellow billionaire Ann Walton Kroenke, as part of the move. NFL rules prohibit team owners from holding major sports teams in other NFL cities. Kroenke's sports empire still includes a majority stake in English soccer club Arsenal and the MLS' Colorado Rapids. He also oversees a real estate portfolio believed to include more than 30 million square feet—much of it shopping plazas near Wal-Mart stores throughout the United States—and nearly two million acres of ranches across the U.S. and Canada. In February 2016 he bought the massive Waggoner Ranch, which spans nearly 800 square miles in Texas near the Oklahoma border.¹⁷⁰

St. Louis and No NFL

While the Chargers primarily consider their options in San Diego and Los Angeles and the Raiders primarily consider their options in Oakland and Las Vegas, according to regional leader consensus, St. Louis is done with the NFL.¹⁷¹ Relative to the NFL,

¹⁶⁸ “The Richest Person in Every State—Missouri,” *Forbes*, accessed September 5, 2016, <http://www.forbes.com/richest-in-state/#7c7a90363125>.

¹⁶⁹ “The World's Billionaires: #148—Stanley Kroenke,” *Forbes*, accessed September 5, 2016, <http://www.forbes.com/profile/stanley-kroenke/?list=billionaires>.

¹⁷⁰ *Ibid.*

¹⁷¹ David Hunn, “Consensus Among Regional Leaders: St. Louis is Done With Professional Football,” *St. Louis Post-*

Mayor Slay claims, “They were not being truthful. And they knew we were putting a lot of energy into this. We were being led on.”¹⁷² However, according to Commissioner Goodell, the NFL is not done with St. Louis.¹⁷³ Relative to points made to Governor Nixon, Goodell contends,

We have a tremendous number of fans there, as you know. It's a great community and if there's something that can be worked out and we can develop a stadium that can allow a team to be successful there, that's something we should consider. I told him when things settle down and you're prepared, let's talk about the future of NFL football in St. Louis.¹⁷⁴

Instead of the NFL, St. Louis is now engaging with Major League Soccer (MLS). On January 22, 2016, the MLS Commissioner Donald Garber sends a letter to Mayor Slay expressing his condolences for loss of the Rams, but reaffirming his commitment to help bring MLS to St. Louis through a viable stadium solution.¹⁷⁵ Garber conveys, “Like all local sports fans, I was both surprised (and disappointed) with the news of the Rams leaving St. Louis. I thought that your comments after the announcement were very appropriate.”¹⁷⁶ On January 29, 2016, Mayor Slay responds via letter that he is excited about the possibilities with MLS by detailing the rich history of St. Louis with soccer and its strong soccer market strength.¹⁷⁷ Slay responds, “I was

Dispatch, January 14, 2016, accessed September 5, 2016, http://www.stltoday.com/news/local/metro/consensus-among-regional-leaders-st-louis-is-done-with-professional/article_75d24b42-b02d-565e-95a6-a1f5b13802eb.html.

¹⁷² *Ibid.*

¹⁷³ Jim Thomas, “NFL Not Closing Door on Another Team in St. Louis,” *St. Louis Post-Dispatch*, February 6, 2016, accessed September 5, 2016,

http://www.stltoday.com/sports/football/professional/nfl-not-closing-door-on-another-team-in-st-louis/article_3e77786c-2339-53eb-8158-1a49c393f9ef.html.

¹⁷⁴ *Ibid.*

¹⁷⁵ Don Garber to Mayor Slay, January 22, 2016, accessed September 5, 2016,

<http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/2/6b/26b4c58d-48c7-567e-b9e8-70f48b391210/56d881d98c242.pdf.pdf>.

¹⁷⁶ *Ibid.*

¹⁷⁷ Francis Slay to Commissioner Garber, January 29, 2016, accessed September 5, 2016, <http://bloximages.newyork1.vip.townnews.com/stltoday.com/>

thrilled to receive your letter and share your excitement and commitment to bringing a professional soccer team to St. Louis, and look forward to working with you and a strong ownership group to make this vision a reality.”¹⁷⁸ On February 3, 2016, Commissioner Graber writes to Governor Nixon that he appreciates the phone call and looks forward to working with him to bring soccer to the strong St. Louis market.¹⁷⁹ Graber states,

As you know, Dave Peacock is coming to meet with us tomorrow. We will provide Dave with information on the League and our expansion process and we anticipate him getting us up to speed on the latest developments on the stadium front. We believe that with the right ownership group and the right stadium plan, St. Louis will undoubtedly be a leading candidate for MLS expansion.¹⁸⁰

As a result, an MLS taskforce of business and sports leaders, including St. Louis Cardinals President Bill DeWitt III and St. Louis Blues CEO Chris Zimmerman, is collaborating with the St. Louis Sports Commission in market, stadium, and funding analysis relative to potential MLS expansion and ownership.¹⁸¹

As of late August 2016, while St. Louis may be trying to move on from the NFL, stadium costs and lawsuits are ongoing. The CVC is responsible for \$16.2 million in stadium proposal expenses and at least \$840,538 in consulting services and \$137,230 in legal services since the departure of the Rams. Relative to legal costs, the CVC is disputing the ability of the Rams to purchase their former local

practice facility, worth \$19 million, for \$1 per the Rams’ former Dome lease.¹⁸² Further, represented by John Ammann, St. Louis University Professor and Lawyer, three St. Louis residents, Jeanette Mott Oxford, Earl Garrett and William White, continue to try to join a lawsuit filed by the former Dome public board against St. Louis City to block a public stadium funding vote. The residents do not believe the city is serious in its attempts to provide an actual defense, and the Missouri Supreme Court has ordered the Missouri Court of Appeals, Eastern District, to reconsider its previous ruling to not allow the residents to join the lawsuit.¹⁸³

Key actors in the Rams saga tend to point to three key factors relative to the St. Louis departure: the NFL secret relocation ballots, public officials preventing a vote by the citizens and/or state legislature, and the Rams’ first tier stadium lease clause.¹⁸⁴ However, relative to the Rams departure and St. Louis, the short-term loss of the Rams may lead to a long term win for St. Louis, especially relative to sustainability.¹⁸⁵ Joe Nocera, *New York Times* Op-Ed Columnist, concludes,

Don’t cry for St. Louis, sports fans. The departure of the Rams to Los Angeles, whence they came two decades ago, is something for the city’s residents to cheer, not bemoan. St. Louis got lucky. . . . But the economics underpinning

¹⁸² Mike Faulk, “Dome Owners Still Spending on Failed Riverfront Stadium Plan,” *St. Louis Post-Dispatch*, August 26, 2016, accessed September 5, 2016,

http://www.stltoday.com/news/local/govt-and-politics/dome-owners-still-spending-on-failed-riverfront-stadium-plan/article_878ee7c5-b811-54b5-b73e-14337e0ab57e.html.

¹⁸³ Koran Addo, “St. Louis Stadium Financing Fight Sent Back to Lower Court,” *St. Louis Post-Dispatch*, August 23, 2016, accessed September 5, 2016,

http://www.stltoday.com/news/local/govt-and-politics/st-louis-stadium-financing-fight-sent-back-to-lower-court/article_59ea3ef6-e6ed-5146-b936-3eba35b74e1f.html.

¹⁸⁴ Jim Thomas and David Hunn, “3 Factors That Sank the St. Louis Effort to Keep the Rams,” *St. Louis Post-Dispatch*, January 23, 2016, accessed September 5, 2016, http://www.stltoday.com/news/local/govt-and-politics/factors-that-sank-the-st-louis-effort-to-keep-the/article_817208e5-377c-5ffd-baf7-41d00f25e8a0.html.

¹⁸⁵ Joe Nocera, “In Losing the Rams, St. Louis Wins,” *New York Times*, January 15, 2016, accessed September 5, 2016, http://www.nytimes.com/2016/01/16/sports/football/st-louis-should-be-glad-it-lost-the-rams.html?_r=0.

ontent/tncms/assets/v3/editorial/f/06/f0649ac9-2c05-5253-9bc0-2cf586f099ad/56b3f6ab3c455.pdf.pdf.

¹⁷⁸ Ibid.

¹⁷⁹ Don Garber to Governor Nixon, February 3, 2016, accessed September 5, 2016,

<http://bloximages.newyork1.vip.townnews.com/stltoday.com/content/tncms/assets/v3/editorial/1/cd/1cd6913f-f843-578b-923b-744953e47184/56d8810d29cfa.pdf.pdf>.

¹⁸⁰ Ibid.

¹⁸¹ Angela Mueller, “MLS Commissioner: St. Louis a ‘Front-Runner’ For Expansion,” *St. Louis Business Journal*, April 22, 2016, accessed September 5, 2016,

http://www.bizjournals.com/stlouis/morning_call/2016/04/mls-commissioner-st-louis-a-front-runner-for.html.

the recent deal St. Louis and the State of Missouri tried to put together to keep the Rams would have been financially ruinous. Let's not be coy about this: St. Louis, a city of fewer than 320,000 people, with a shrinking tax base, simply couldn't afford to help finance the \$1 billion stadium that the Rams' billionaire owner, E. Stanley Kroenke, was seeking. Its mistake was in trying. . . . The N.F.L. claims that St. Louis always had a real shot at retaining the Rams, a claim that's hard to believe. Kroenke had devised plans to build not just a stadium in Inglewood but a huge N.F.L. complex, which would include retail, hotels, the whole bit. It was a real estate play as much as a football stadium play. . . . The truth is, whatever the deficiencies of the proposal from the city and state, it was more than the city, especially, could bear. It would have broken St. Louis's back, and quite likely forced cutbacks in service that the city badly needs. And it raises again the question of whether cities should really be in the business of subsidizing sports facilities. Is keeping a football team more important [than] putting police officers on the street? More important than giving teachers raises? Of course not. But mayors and governors can't bring themselves to tell a team good riddance when it threatens to leave. Instead, they move heaven and earth to keep the team—even if, as in the case of St. Louis, they can't afford it. That's why the pro sports business model works so well. It relies on the expectation that government officials will panic at the thought of losing a team.¹⁸⁶

its citizens. Public officials, both elected and non-elected, should be transparent and accountable, which helps prevent public servants from putting their private interests ahead of the public good. As a result, St. Louis must pursue a more sustainable path, especially relative to governance reform. Further, the Rams saga serves as a cautionary tale to governments throughout the United States, particularly in corporate welfare and infrastructure (private) versus social welfare and infrastructure (public). In public-private partnerships, the devil is in the details.

Final Remarks

Opposed to the locally established St. Louis Cardinals and St. Louis Blues, St. Louis has twice tried and twice failed to rent-to-own an NFL team. Through the Rams debacle, in an attempt to continue to be a major league city in perception, St. Louis looks like a minor league city in reality. While the Rams, particularly Kroenke, and the NFL did not engage in good faith negotiations with St. Louis, St. Louis did not engage in good faith negotiations with

¹⁸⁶ Ibid.