

***INTENT:*** informational to consider as part of testimony, discussion or written comments

1. According to the City's website, there is a \$3.5 billion need for water resources infrastructure. The City suggests that "we all have to **chip in** to build a more reliable and resilient infrastructure". As a ratepayer and taxpayer, I am opposed to giving taxpayer money and public land to the Rays Team Owners with no return on investment for the taxpayers.
2. The Hines development team acquired about 60 acres of land from the Washington, D.C. government and built condos, offices and shopping. There was no stadium involved. The interesting point here is that the land was leased to Hines, not sold. Washington, D.C. made a much better deal; with affordable housing built first, not last, and no expenditure of taxpayer money on a stadium. I urge the City Council to lease the land to Hines, or make them pay fair market value based on a new appraisal. The payment must be made at closing, or paid out with interest.
3. The HYPD plan offered by the Rays does nothing for the Hardys or any of the other 18,000 SP families in their situation. Only 600 units will be built and these units may not be available until 2030.
4. In the Florida Bar Journal. Mr. Hipler writes that "Tax Increment Financing benefits private sector development with the use of public revenue. Private development should not be supported from investments of public funds. TIF can boost economic growth, but at a cost of higher taxes to meet their rising costs".
5. Professor Zimbalist, a published economist, notes that "The fact is that diverting taxes, including property tax, TIF's, and bed taxes create a fiscal hole that has to be filled, either by lower spending on services or by increased local taxes, each having a depressing effect on local economic activity."
6. According to the City's Stormwater Plan "We will all have to chip in to build a more reliable and resilient infrastructure. If we fail to make this investment, St. Pete's infrastructure will continue to age and we will experience more frequent sewer leaks, boil water notices and more issues related to tidal concerns and climate change."<sup>1</sup> If chipping in is a euphemism for paying more in fees in taxes, then we need to be cautious in committing large amounts of public dollars to non essential activities such as a stadium.
7. We urge you to carefully examine this lopsided deal for the taxpayers. There is no hurry. The Baltimore Orioles just signed a 15 year lease extension to give Baltimore and the team time to work out an equitable development deal. St. Petersburg can extend the lease on Tropicana Field and do the same for its taxpayers.
8. The City Council must give the public and itself more than 2 weeks to review the project agreements. The taxpayers will not be able to vote on this project, and they deserve to have adequate time to review and provide public testimony.
9. This project will not meet the goals of (1) providing affordable housing, (2) creating generational wealth or (3) providing good jobs. It is a lopsided deal in favor of the Rays/Hines owners.
10. The County is contributing \$61,981,086 million in property taxes (2024-2031) to pay for the stadium according to the City's finance plan. This is in addition to the "bed tax". Those dollars are needed for County schools, roads, parks, police and fire services.
11. According to the City's finance plan, the Rays will have paid only \$50 million of local government of the \$105 million land price by 2036. There is no interest payment, so the City's will loose millions of dollars in escalating land value. The Rays should pay the purchase price on contract signing, or pay the City interest like every other purchaser of City assets.
12. The Rays deducted the \$50 million "intentional equity amount" amount from the land sale price, and then offered the money to meet their community benefit requirement. This is City taxpayer money, not the Rays money.

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<sup>1</sup> [https://www.stpete.org/government/initiatives\\_programs/water\\_plan.php](https://www.stpete.org/government/initiatives_programs/water_plan.php)

13. The CBAC recommends that an inflation factor must be added to the amount or the value is actually \$31 million, not \$50 million. The City Council must adopt the CBAC's recommendations regarding the \$50 million and housing penalties.
14. Economists agree that a City that wants a museum like the Carter Woodson museum should pay for it. Filtering \$10 million in money through the stadium project is just bad government policy. I urge the City Council to reject this deal.
15. According to leading economists Bradbury, Coates and Humphries, "We also investigate the paradox of local government continuing to subsidize sport facilities despite overwhelming evidence of their economic impotence." I urge the City Council to reject the diversion of property taxes to pay for a new stadium.
16. The CBAC unanimously voted to increase the penalty for failure to build any unit of the 1,200 affordable units from \$25,000/unit to \$150,000 or \$175,000/unit. I urge the City Council to adopt this important change to the term sheet.
17. There is no other business in St. Petersburg that gets free rent on City property, pays no property taxes and returns no economic benefit to the taxpayers. The City currently receives about \$640,000/year in revenue sharing from the Rays. In the new deal, that will be \$0. I urge the City Council to reject this lopsided stadium deal.
18. Other Cities share revenues, including naming rights, TV and streaming rights, gambling revenue, ticket, parking and concession revenues. St. Petersburg will receive no revenues. I urge the City Council to reject this bad deal.
19. The City and County's Victus Advisors study finds that there will be an economic return from the stadium if it is full and there are 30 non-baseball game/year. The Rays have the 3<sup>rd</sup> worst attendance in the league, and experts agree that won't change with a new ballpark. The Rays must guarantee attendance at both baseball games and other events or pay the City for lost revenues. Otherwise, the taxpayer's investment of \$700 Million is a bad deal

#### MAIN TAKEAWAYS:

- This is a bad deal for the residents of St Pete. It needs to be rejected or markedly modified to reduce the tax burden to residents.
- This deal will cost St Pete taxpayers millions and will not return that to the community.
- This deal makes NO commitment to affordable housing.
- This deal makes NO commitment to building generational wealth.
- This deal makes NO commitment to sustainable good jobs with a livable wage and benefits.
- This deal is not transparent to the residents of St Pete. It does not disclose real costs; it does not include adjustments for inflation; and it does not make financial commitments to the city.
- This deal is a major giveaway to keep the Rays here, at the expense of good government and good fiduciary stewardship.
- This deal will cause the City to have to raise taxes to pay for badly needed infrastructure, including storm and wastewater fixes and climatizing the city against rising sea level at our doorstep.
- Make the Rays pay fair market rates for this land, make substantial commitments to the city residents, share in streaming services deals, and COMMIT to affordable housing, good paying jobs with a living wage and good benefits, and to increasing generational wealth.
- AND IF THEY DON'T AGREE, SAY NO TO THIS DEAL.