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Austin City Council member: soccer plan ‘massive giveaway’

Mark Lisheron

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Austin City Council member Leslie Pool is calling a proposal by a professional soccer club from Columbus, Ohio to relocate to a new stadium in Austin “a massive giveaway” for the city that “doesn’t pencil out.”

Pool, in whose District 7 in north Austin the stadium would be built, echoed many of the concerns raised about the proposal by [The Texas Monitor in a March report](#).

Precourt Sports Ventures, owners of the Columbus Crew, promised once again in a [detailed proposal](#) delivered to Austin officials earlier in the week that it would pay for a \$200 million stadium on a 24-acre site known as McKalla Place.

“The city’s going to continue to own the land, own the stadium,” PSV President [Dave Greeley told Fox 7 News Austin](#). “They’re also going to get perhaps the most favorable public-sector MLS stadium deal in the country. We’re prepared to do that because we do want to be in Austin.”

The proposal, however, asks that the city lease the entire developed property to the soccer franchise for up to 80 years at \$1 a year, essentially nullifying all property taxes the city could collect from any regular development.

And with the release of [an analysis](#) of the proposal by city staff, Austin taxpayers learned for the first time major league soccer would not be coming for free. In addition to “all site preparation, remediation and off-site infrastructure,” staff estimated taxpayers would be on the hook for \$15.9 million in water system improvements and another \$13 million for a rail station to make pedestrian traffic from one parking location safe.

Pool on Thursday called on the City Council to ask that developing McKalla Place be opened to all bidders so the public could better assess the community value of the property. But while her [comments to local reporters](#) were rather measured, Pool expressed serious misgivings about the development and [Precourt to a reporter](#) for the Columbus Dispatch.

“I think it’s important for everybody to know what other alternatives are out there,” Pool said. “I don’t like the binary choice of, ‘Stadium yes, stadium no.’ It needs to be, ‘Stadium can be an

only option, but it can't be the only option.' We don't know what the other options are at this point."

The Texas Monitor contacted Pool requesting comment but had not heard back from her at the time this story was published.

"Precourt Sports Ventures," Pool told the Dispatch, "they don't want to pay property taxes but they want the city to cover most of the cost for them without any revenue to pay for it, which we could get from the property taxes."

Pool was particularly concerned that Precourt's proposal reserved gate, merchandise, concessions and all other revenues for the club while paying nothing to offset the taxpayer cost to ready the property for development.

"They want to privatize this public land and then require the city of Austin taxpayers to shoulder that tax burden and pay for those benefits for them," Pool said. "They haven't given me any reason except that it's soccer, which I don't think really rises to the (acceptable) level. That's a concern."

Another concern Pool raised from the time rumors of a relocation plan began leaking at the end of last year, was the "false sense of urgency" from Precourt's point people.

At the time of the release of the latest proposal, Greeley told the Austin American-Statesman, "We want some sort of understanding, some sort of mutual commitment, by the July council break. Could it be a definitive agreement? That might be a long shot. Maybe it's a resolution."

Pool told the Dispatch residents in her district have told her they are uncomfortable being pushed into a deal. "They've pointed to boondoggles," she said, "that you're being hoodwinked when people create a false sense of urgency, that you have to do it now because if you don't do it now then this deal is going to go away. That's a time-honored approach for a used-car salesman. That's not how a governmental entity should be making policy or decisions for the taxpayers."

And the longer the process has gone on, Pool said, the less comfortable she has become with things she has learned about the Precourt group and what they're doing to fans in Columbus.

"I don't know if I would want to partner with folks who have that kind of a reputation of pulling up stakes and moving a team," Pool said. "It's not in the dead of night like some of the football teams that have been moved, but it has had similar repercussions and it's clearly unfair to the people who have given their heart and soul over to the brand and the team."

She added: "I get it, it's a business decision, but that doesn't mean that I'm OK with it or that anybody should be OK with it because really the only ones benefiting from that business decision are the owners, so I have some serious questions about their intentions."

Their intentions were spelled out when the city of Columbus and the state of Ohio sued Precourt in March. State law, the suit contends, gives the government a say in the move because of its local and state taxpayer support.

In May, a Franklin County Court judge ordered the suit proceeding suspended for 90 days to allow for potential local buyers of the franchise to come forward. Poole said Austin officials have been given no indication of what impact the Ohio lawsuit has on negotiations with Precourt.

As The Texas Monitor reported in March, many of Pool's concerns are well grounded in the past performance of public/private sports partnerships. Andrew Zimbalist, an economics professor and sports industry expert at Smith College told The Texas Monitor if past experience was an indicator Austin taxpayers would get stuck if the Crew relocated.

Studies by the Cato Institute, the Taxpayers Protection Alliance, and author Neil deMause are in agreement that sports franchises are rarely self-sustaining.

Still, after reviewing the Precourt proposal and the city staff analysis, Austin Mayor Steve Adler concluded, "My sense is that (soccer) is a really unique opportunity to gather all parts of our community in a public setting in ways that don't happen now. While I'm a huge proponent of affordable housing ... I think the best use of this property in this location is to help facilitate Major League Soccer."