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Sports Facilities, Redevelopment, and the Centrality of Downtown Areas: Observations and Lessons from Experiences in a Rustbelt and Sunbelt City

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SPORTS FACILITIES, REDEVELOPMENT, AND THE CENTRALITY OF DOWNTOWN AREAS: OBSERVATIONS AND LESSONS FROM EXPERIENCES IN A RUSTBELT AND SUNBELT CITY

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I. INTRODUCTION

The engines of wealth and economic activity for cities have changed. In the past, center cities were manufacturing, industrial, retail, and service centers. Today, while industrial output is still important for the economic health of some cities, consumption, recreation, tourism, and the provision of services are now the principal engines of urban wealth.[1] Insurance, banking, legal and financial services joined with experiential consumption, traditional retailing, and various forms of entertainment define the new focus for core cities that try to maintain their centrality in a regional economy.

This transformation has been continental in scope, as center cities have dedicated substantial amounts of their urban space to these activities. Rustbelt cities once mired in the deep recessions of the 1970s and 1980s have capitalized on the national economic expansion of the 1990s and built luxurious recreation facilities and retail centers to complement the downtown office buildings that serve as home to service industries. Sunbelt areas, once content to accept or encourage suburbanization, now also emphasize center city redevelopment with a focus on recreation, tourism, consumption, and services. Festival marketplaces, malls, convention centers, arenas, ballparks, and football stadia now define downtown areas from Toronto to Houston and Baltimore to San Diego. This is not to suggest that suburban areas have lost their luster as a location for residences and businesses. However, three unique elements of the current economic expansion have generated important opportunities which center cities have used in an effort to thwart suburbanization and sprawl.

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1. *See* THE TOURIST CITY (Dennis R. Judd & Susan S. Fainstein eds., 1999).

First, every period with extensive economic growth has engendered a consumption binge. While luxury items are still popular, the wealth created in the 1990s has led to an interest in "experiential" consumption. What one experiences or enjoys in the act of consumption has assumed a level of importance at least equal to the value of tangible goods. Examples of experiential consumption include luxury seating at sporting events, coffee bars at bookstores, and rock climbing walls in sporting goods stores. Some might suggest that experience has always been a main element for consumption.[2] Regardless of when experiences became an integral element of consumption and the economy, cities have capitalized on the importance of experience and entertainment in consumption by providing the space in which these unique opportunities can occur.[3]

Second, the recent economic expansion has led to an exponential growth in tourism. Tourists need central places to both visit and secure housing and meals and cities have met this need through an emphasis on unique physical features and the construction of edifices for identity and visitation.[4] The needed hotels and restaurants cluster about the facilities designed specifically to attract tourists. The growth of tourism and experiential consumption has made this sector of the economy larger than the industrial sector in the U. S.[5]

Third, the aging of the baby-boom generation has created a pool of two-person households with the resources to consume the recreational experiences now available in cities and many elect to live in downtown areas closer to experiential amenities.

Sports has been a centerpiece for many downtown redevelopment efforts. Sporting events fit or define the current experiential element of consumption. Competitive games offer fans a unique experience (each game is different) and with the advent of luxury seating there is an opportunity for people to consume sports in an elite and rarified manner visible to other consumers. There is then an experiential and conspicuous consumption component to sports. Some sporting events, including championships and the Olympics, also have the potential for attracting a large number of visitors to a city creating the potential for redefining a downtown area as a tourist destination.

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2. *See* B. JOSEPH PINE II & JAMES H. GILMORE, THE EXPERIENCE ECONOMY (1999).
3. *See* MICHAEL J. WOLF, THE ENTERTAINMENT ECONOMY (1999).
4. *See* Briavel Holcomb, *Marketing Cities for Tourism*, *in* THE TOURIST CITY *supra* note 1, at 54.
5. *See* PINE II & GILMORE, *supra* note 2; WOLF, *supra* note 3.

These trends or factors have led to a redefinition of urban landscapes to include new arenas, ballparks, or stadia. Mayors from rustbelt cities such as Baltimore, Buffalo, Cleveland, Indianapolis, and Washington, D. C. can point to new downtown sports facilities, as can elected officials from the Sunbelt's Atlanta, Dallas, Miami, Los Angeles, Phoenix, San Diego, and Seattle. In several of these areas the new facilities are considered signature statements, defining elements of the city's identity, or the catalysts for redevelopment efforts. Oriole Park at Camden Yards (Baltimore), "The Jake" (Jacobs Field, Cleveland), the Ballpark at Arlington (Texas), the Fieldhouse (Conseco Fieldhouse, Indianapolis), and the BOB (Bank One Ballpark, Phoenix) have indeed assumed a level of civic identity, pride, and importance for residents.

Other articles in this symposium focus on the economic importance of teams and the facilities they use. Those pieces, as well as other research, underscores the very limited ability of sports development strategies, individual facilities, or the presence of teams to engender economic development.[6] This article, however, focuses on the concentration of sports facilities in downtown areas and asks two questions: First, does the presence of sports facilities change the image of downtown areas? Second, do downtown sports facilities redistribute economic activity allowing core areas to remain vital components of their region's economy?

Numerous researchers have urged city officials to judiciously examine all calls for the use of tax money to pay for sports facilities. Nevertheless, attracted to the perceived value of outcomes in some areas, the interest in spending tax dollars for arenas, ballparks, and stadiums has not abated. State and local governments have already spent more than $10 billion for sports facilities.[7] A stream of projects involving other major and minor league franchises and college teams will substantially increase this number across the next few years.[8] Given this ongoing interest in utilizing sports to underscore the centrality of downtown areas, this paper presents a typology of efforts in large and small urban regions. The analysis of the potential impacts of the different strategies in the typology is designed to highlight the potential outcomes for a community from the presence of a sports team or special events such as an Olympics, Super Bowl, or collegiate national championship event. Attention is then directed towards the experiences of two cities,

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6. *See* Mark S. Rosentraub et al., *Sports and Downtown Development Strategy: If You Build It Will They Come?* 16 J. URB. AFF. 221 (1994); MARK S. ROSENTRAUB, MAJOR LEAGUE LOSERS: THE REAL COSTS OF SPORTS AND WHO'S IS PAYING FOR IT (1999).

7. *See* JOANNA CAGAN & NEIL DEMAUSE, FIELD OF SCHEMES ix (1998).

8. *See* JAMES QUIRK & RODNEY FORT, HARD BALL 147-148, 218-225 (1999).

Indianapolis and Phoenix, that have used sports as a catalyst for downtown redevelopment. An assessment of what these cities gained or did not gain will help other cities evaluate sports as a redevelopment tool.

II. Sports, Entertainment, and Urban Redevelopment: A Typology of Efforts

The focus on entertainment and consumption for an urban renaissance began in the late 1970s and early 1980s with the Rouse Corporation's development of the Harborplace complex in Baltimore and Faneuil Hall Marketplace in Boston. The success of these projects convinced numerous other cities to develop festival marketplaces in historic buildings. While few, if any, of these efforts were as successful as the projects in Baltimore and Boston, they did highlight the potential for recreation, entertainment, and retail consumption as a redevelopment strategy.

Indianapolis then took the next and larger step of tying sports to this concept with its amateur and professional sports strategy for redeveloping its downtown center. Indianapolis was the first city to create a sports commission to attract national and international athletic events and organizations to the downtown area. The city's sports strategy became a policy theme uniting a business and government regime in a twenty-five year effort to rebuild a deteriorating downtown area. Indianapolis's success in attracting national and international sporting events encouraged many cities to create sports commissions. Today hundreds of such commissions are part of the governance of urban areas and virtually every city has tried to tie elements of the success of the Rouse Corporation and their retail complexes with a sports strategy reflecting outcomes in Indianapolis.

A. *Redevelopment Program Goals*

There are essentially two goals for redevelopment programs focused on recreation, entertainment, retail consumption, and service industries. The "internal goal" is to redirect or concentrate regional spending into a downtown area. This movement of economic activity from more suburban locations does not generate economic development, but it does concentrate activity and can enliven a declining downtown region.

The "external" goal for sports and entertainment redevelopment programs is to attract new spending as a result of the attraction of tourists and visitors from outside of the region. All redevelopment plans also seek "an export component" or new dollars for an economy that can complement the redistribution of regional spending for recreational activities. National and international championships or other very special events also have the potential to retain local spending by residents who in the absence of these opportunities might have attended events in other areas. This retention of dollars also represents real economic development. Table 1 describes the redevelopment programs and various combinations of emphases on sports, entertainment, and services.[9]

The internal goal of all redevelopment programs, regardless of the emphases selected, is to concentrate a level of spending for consumptive services in a declining downtown area. The particular emphasis selected as the cornerstone for a redevelopment policy is also expected to attract tourists and new visitors to establish an export component for the plan. Many implemented plans fail to achieve this goal.

Each redevelopment program has two components: sports and an allied effort. The allied effort can include up to four sub-components. The sports element can range from an effort organized to attract or retain a single team to an entire sports strategy. Jacksonville, Sacramento, Hartford, and Birmingham are representative of communities that focused their efforts on a single team for a redevelopment effort. Hartford and Birmingham have yet to secure the teams they want (NFL franchises). Jacksonville has used its NFL team as an anchor to redefine its image, and Sacramento has utilized its NBA franchise to establish itself as more than a governmental center. There are a number of cities (Buffalo, Cleveland, Dallas, Los Angeles, Minneapolis, Nashville, Phoenix, and St. Louis) with two team strategies. Redevelopment efforts in these cities have included an arena for a basketball or hockey team that becomes a venue for concerts and other indoor events. Virtually all sports strategies also involve the building of new facilities for teams. Phoenix and Cleveland are prime examples of cities that utilized sports as cornerstones for redevelopment, but only Indianapolis focused on both export-based amateur sports championship events and professional sports teams. Indianapolis has also emphasized conventions as part of its export-based strategy for redevelopment.[10]

The value in classifying a city's redevelopment plan according to the cells in Table 1 involves the assessment of potential for real economic development as opposed to the redistribution of existing regional spending patterns. This is essential for understanding the value or economic return from a redevelopment program and whether or not the appropri-

9. *See infra* Table 1.

10. *See* WILLIAM H. HUDNUT III, THE HUDNUT YEARS IN INDIANAPOLIS: 1976-1991 (1995).

ate tool for evaluating success should be the intangible benefits of an improved image for a city. Plans that focus only on professional sports teams have less potential for generating regional economic development than do other emphases that bring visitors from other regions and nations to a city.

The overwhelming majority of fans attending games played by professional teams are residents of the area or people who already rely on the region for their recreational consumption. As a result, their spending would have likely occurred even if the teams did not exist. When fans cannot attend games they go to the movies, shows, and restaurants, and the same dollars spent at the ballpark, stadium, or arena are thus spent in a region's economy. The spending on sports instead of some other form of recreation is usually identified as a substitution effect—consumers substitute one form of recreation for another. There are some teams and events that attract fans from outside of a region. However, the question that must be asked is whether these visitors attending games would still have come to Denver, Phoenix, or Indianapolis for their recreation? The recreational market base for an urban area is larger than a city or its adjacent counties. People from rural areas have relied on larger urban areas for their consumption activities for decades, and the presence or absence of any one team will not alter this relationship. To be sure a team should have a positive effect on the number of visits that occur and reduce the number of visits to other cities made by residents of a region. In that sense, a team does indeed have a positive effect on economic development.[11] However, the vast majority of spending that takes place at sporting events is merely a substitution of one form of consumption that would have occurred within a region for another form. To that extent there is no real economic development although it may well be quite important to have that spending occur in a downtown area.

The issue of real economic development for a region is complicated or confused given the multiplicity of cities in a region. For example, when the Los Angeles Lakers and Kings moved from The Forum in Inglewood to the Staples Center in downtown Los Angeles, there was no change or increment to the region's economy. However, there was a gain for the City of Los Angeles and at least a temporary loss for Inglewood. The loss for Inglewood is temporary as the land vacated by the

11. *See* David Swindell & Mark S. Rosentraub, *Who Benefits from the Presence of Professional Sports Teams? The Implications for Public Funding of Stadiums and Arenas*, 58 Pub. Admin. Rev. 11 (1998).

teams may be used for other purposes. The land for the arena in downtown Los Angeles had been vacant or abandoned for decades. As such, the gain for Los Angeles was real even though the region was unaffected. It is perfectly acceptable to note that there has been economic development for one city while there has been no gain for a region. The use of tax money, however, to simply move economic activity generates no real tangible benefits and it is important that this point be underscored.

The realization that sports, entertainment, and consumption spending may create little real economic development for a region explains the importance and interest placed on the second dimension of allied programs. The emphasis of this second dimension of redevelopment plans is usually on the export component. Conventions are an important source of new spending and real development as these events frequently attract large numbers of visitors to a city. The emphasis on conventions by many cities has led to the building of numerous centers. It may not be possible for all of these various centers to be successful. There are now more than 430 convention centers in the United States.[12]

Service businesses that locate in a downtown area are a source of real economic growth. Successful businesses provide services and products to residents of other regions and countries. As a result, cities have encouraged the building of downtown office complexes in the hope of attracting and retaining large firms. Complementing the expansion in recreation, retail, entertainment, convention centers, and office buildings has been an explosion in the number of hotel rooms available in downtown areas. The goal of these elements in the redevelopment process has been to enhance the export function and increase the real economic development that occurs for a region.

Returning to Table 1, to the extent that a redevelopment program can include elements under the categories "conventions," "service businesses," and "sports strategies," the more likely a redevelopment program will engender economic development. To the extent that single or multiple teams and entertainment are emphasized, it is likely that the economic activity taking place is merely a substitution of one form of recreational consumption for another. This substitution of downtown-based experiential recreation can still produce an enhanced image for a downtown or inner city area, however substitution effects are incapable of producing real economic development for a region.

12. *See* Dennis R. Judd, *Constructing the Tourist Bubble*, *in* THE TOURIST CITY *supra* note 1, at 35, 40.

Finally, in assessing changing growth and development levels, relative shifts may be the most important factor to consider. In an expanding economy one is likely to find real growth taking place in downtown and suburban areas. If a change in patterns were actually taking place, one would expect to find the concentration of activity shifting from suburban to inner city areas or from downtown areas to the suburbs. If all areas are improving at the same rate there may be change in the relative concentration of economic activity or the centrality of one area.

III. Sports, Entertainment, and Downtown Redevelopment: A Tale of Two Cities

A. *Why Sports and Downtown Development? The Challenge for Two Cities*

Despite extreme differences in location, similar factors drove the emphases on downtown development in both Indianapolis and Phoenix. Both cities desired different and more dynamic national images. Through the 1960s, the best that could be said for Indianapolis's image and its downtown area is that it had no reputation or presence in the national consciousness.[13] Phoenix enjoyed a reputation as a fine winter resort, but it did not have an image as a dynamic business and residential center until the 1980s. By then, the City of Phoenix was suffering from the same fate that confronted Indianapolis in the 1970s and 1980s. Both center cities were becoming smaller parts of their metropolitan areas and each had a deteriorating or neglected downtown core area.

In 1970, two-thirds of the metropolitan region's 1.1 million people lived within the consolidated city of Indianapolis. By 1980, just 53.7% of the region's population lived in Indianapolis. Indianapolis had expanded its boundaries through a consolidation with its neighboring suburban areas in the 1960s, but this was not sufficient to thwart the outflow of residents. Phoenix, despite being at the center of extraordinary regional growth was also shrinking in terms of the proportion of the region's residents living within the city.

As detailed in Table 2, Phoenix's share of Maricopa County's population has been steadily declining since 1960.[14] By 1998, slightly more than two-fifths of the county's population was concentrated in the city of Phoenix. In 1960, more than two-thirds of the county's population lived in Phoenix. With the growth of the region since 1990 (a 22.7% increase

13. *See* Hudnut, *supra* note 10.
14. *See infra* Table 2.

to 2.75 million in 1996) Phoenix was becoming a smaller part of the metropolitan area. Both Indianapolis and Phoenix, despite locations in two very different parts of the United States, faced a challenge to underscore the role of the center city and its downtown area in the life and economy of their regions. Both cities turned to recreational experiences anchored by sports to change the image of the central city and its downtown area.

B. *Indianapolis's Sports Strategy*

From 1974 to 1999 more than $3 billion was spent on new construction projects as a result of the sports strategy.[15] Eliminated from this tabulation were projects that would have taken place even if no specific strategy existed. More than one-third of these dollars, 35.2%, or $1.6 billion, were specifically related to the "experience economy"—sports and entertainment facilities and hotels. Residential construction, a direct result of the redevelopment of downtown, accounted for another $60 million in new development with numerous other projects underway.

C. *Phoenix's Downtown Redevelopment Strategy*

While less robust and taking place over a shorter period of time, almost $2 billion in new development has taken place in downtown Phoenix.[16] The public sector has also had to play a more pronounced role in Phoenix. For example, in Indianapolis local governments spent 17.5% of the total funds invested in redevelopment projects (including tax abatements). By contrast, in Phoenix, the county and the city were responsible for 27.5% of the funds used for redevelopment projects excluding abatements. In both communities, however, city governments were able to leverage a substantial level of private sector funds through their commitments to fund recreation facilities and complete an effort to redevelop and redefine the downtown areas.

The attraction of recreation and service industries to Indianapolis's downtown area (through the development of office buildings and other facilities) also led to the building of several hotels. In 1996, for example, there were 3,557 rooms in downtown Indianapolis. Construction underway in 1999 will lead to the existence of 5,225 rooms by 2001. Downtown Phoenix also saw the building of several new hotels to satisfy the needs of both the recreation and service industries.

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15. *See infra* Table 3.
16. *See infra* Table 4.

IV. Measuring Success in Indianapolis and Phoenix

Relative to rebuilding downtown Indianapolis and establishing a new and different image for the city, the sports emphasis and focus on downtown did indeed achieve an important measure of success. By the 1990s the city had been home to numerous events including the 1987 Pan American Games, the Final Four of the NCAA Men's Basketball Tournament (four times), and several international competitions. In terms of the city's identity and reputation there was probably no better measure of the success of the downtown and sports redevelopment program than Indianapolis's second place finish to Philadelphia in a bid to host the 2000 Republican National Convention. Indianapolis's ability to compete for that prestigious convention described how far the city had come in redefining its image and recreating its downtown area as a center for entertainment and consumption.

By other measures of success the program's accomplishments were less stellar. In 1977 among a group of Midwestern areas, Indianapolis had the second highest average income or wage level. In 1989, Indianapolis had declined to fifth position while at the regional level the Indianapolis region was second in 1977 and fourth in 1989.[17] By 1996, the Indianapolis region was ranked third relative to the concentration of households with disposable income above $75,000.[18]

In terms of the location of jobs, the sports strategy has not reversed the long-standing suburbanization in the region. In 1985, 18% of the regions' jobs were located in downtown Indianapolis; in 1995, the number of jobs in downtown Indianapolis accounted for 14.8% of the region's opportunities. From 1985 to 1995 there was actually an increase of 3,239 jobs in the downtown area; the region, however, enjoyed more robust growth accounting for the reduction in the centrality of the core area.[19]

Phoenix's downtown area, like Indianapolis's core area, is now a destination for recreation and tourism. In addition, a number of businesses have moved to or expanded their offices in downtown Phoenix. Downtown Phoenix has indeed shed its image of a core area largely abandoned after the workday and declining in overall importance.

This change in the image of downtown Phoenix has not produced the level of economic development or change that many had anticipated.

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17. *See* Mark S. Rosentraub, Major League Losers, *supra* note 6, at 225.
18. *See infra* Table 5.
19. *See* Mark S. Rosentraub, *Stadiums and Urban Space, in* Sports, Jobs and Taxes 178 (Roger G. Noll & Andrew Zimbalist eds., 1997).

One measure of economic development is reflected by the taxes collected by the city of Phoenix from restaurants, hotels, and retail outlets. If downtown Phoenix had now become the engine or center of recreation and entertainment for the region, one would expect to find both a growing level of tax revenues and an increasing proportion of these taxes concentrated in the downtown area. Table 6 illustrates that there has indeed been a very large increase in the scale of business in the downtown area as reflected in the increasing levels of taxes collected from establishments in that area.

However, when these increases are compared with the changes in business activity throughout Phoenix, the increases or changes become less obvious. In 1991, 1.8% of all of the sales taxes collected in Phoenix came from businesses in the downtown area. In 1998, after the opening of the Bank One Ballpark and the completion of several other projects, the downtown area was generating but 2.1% of the city's sales tax dollars.[20]

V. Conclusions

Indianapolis and Phoenix have changed the images of their downtown areas, and that was an important objective of their redevelopment policies. Both downtown areas are now recreational destinations providing important experiences for consumers. However, the economic objectives of the sports policies have been far less successful in terms of underscoring the centrality of downtown areas. The level of business activity in downtown Phoenix, as measured by sales tax dollars collected, has remained relatively unchanged. In 1991, 1.8% of the city's sales tax dollars were produced by the downtown area. This level remained relatively static until the Arizona Diamondbacks began play in the Bank One Ballpark. The spending by the approximately three million attendees of games and events at the ballpark increased the downtown area's share of the city's sales tax to 2.1%. The overwhelming proportion of the city's sales tax earnings occurs outside of the downtown area.

Indianapolis's sports and redevelopment policies, dedicated as they were to export-based activities, still could demonstrate but modest economic success as measured either by wage levels or the concentration of regional economic activity in the downtown area. Compared to other areas in the Midwest with which the city competes, the city actually declined from its ranking as having the second highest wage rate in 1977.

20. *See infra* Table 7.

This decline has held consistent through 1996. While the change was slight, from second to third on one measure, the focus on sports did not attract the high paying jobs that some believed would be forthcoming as the downtown area flourished. There was an increase in the number of jobs in the downtown area, but growth in the region led to an actual decline in the proportion of employment opportunities in downtown Indianapolis.

The sports strategies followed by Phoenix and Indianapolis did enhance the images of downtown areas and insure that there will be a continuing level of economic activity in this area. In neither city has the sports strategy produced a downtown area that dominates in its region. In both regions, during periods of growth, the downtown areas did grow, but not as quickly as other parts of the metropolitan regions. The best that can be said is that the entertainment focus through sports has slowed increased suburbanization. The policies, however, have not reversed the trend towards suburbanization or brought high paying jobs to the area. Both cities and their counties spent large amounts of tax dollars to insure that a proportion of the region's growth would take place in the respective downtown areas. In the absence of these subsidies, some of the development that took place in downtown Phoenix or downtown Indianapolis would have occurred elsewhere in those metropolitan regions. It now remains for those taxpayers to decide if what they received in terms of more vibrant downtown center was worth their commitments.

The lessons for other cities to be learned from the outcomes in Phoenix and Indianapolis is that a focus on sports and entertainment will not reverse suburbanization or lead to the attraction of high paying jobs for the economy. The focus on fun and sports may help insure a role for a downtown area in a regional economy, but real economic development transforming the economic space of a region is not to be found in the building of ballparks, stadiums, and arenas. If a city is interested in slowing suburbanizing trends, sports may well be an asset. The issue in every instance, however, is the cost to achieve this outcome relative to the modest gains observed for both Phoenix and Indianapolis and the other potential strategies that may have far greater success in revitalizing cities, their downtown areas, and urban life.

TABLE 1: A TYPOLOGY OF SPORTS AND RELATED DEVELOPMENT STRATEGIES

Sports Element	Allied Development Efforts			
	Entertainment	Retail/ Consumption	Conventions	Service Businesses
Single Team				
Multiple Teams				
New Facilities				
Sports Strategy				

TABLE 2: POPULATION CONCENTRATIONS IN MARICOPA COUNTY, 1960-1998

Year	Maricopa County	Percent Change	Phoenix	Percent of County
1960	663,510	—	439,170	66.2
1970	967,522	45.8	581,562	60.1
1980	1,509,052	56.0	789,704	52.3
1990	2,122,101	40.6	991,711	46.7
1991	2,169,163	2.2	1,011,757	46.6
1992	2,216,175	2.2	1,036,760	46.8
1993	2,274,394	2.6	1.063,864	46.8
1994	2,358,014	3.7	1,099,359	46.6
1995	2,526,113	7.1	1,136,157	45.0
1996	2,611,327	3.4	1,160,634	44.4
1997	2,699,098	3.4	1,184,353	43.9
1998	2,784,075	3.1	1,198,064	43.0

TABLE 3: PROJECTS AND SOURCES OF FUNDS FOR DOWNTOWN DEVELOPMENT IN INDIANAPOLIS[21]
(IN $MILLIONS)

Projects	Year	Source of Funds					Total
		Federal	State	City	Private	Philanthropic	
Market Square Arena	1974	0	0	16.0	0	0	16.0
Children's Museum	1976	0	0	0	0	25.0	25.0
Hyatt Hotel/Bank	1977	0	0	0	55.0	0	55.0
Sports Center	1979	0	0	4.0	1.5	1.5	7.0
Indiana Theater	1980	1.5	0	0	4.5	0	6.0
Capitol Tunnel	1982	1.4	0	0	0	0	1.4
IU Track and Field Stadium	1982	0	1.9	0	0	4	5.9
IU Natatorium	1982	1.5	7.0	0	0	13.0	21.5
Velodrome	1982	0.5	0	1.1	0	1.1	2.7
2 W. Washington Offices	1982	1.2	0	0	11.8	0	13.0
1 N. Capitol Offices	1982	3.2	0	0	10.4	0	13.6
Hoosier Dome	1984	0	0	48.0	0	30.0	78.0
Lower Canal Apartments	1985	7.9	0	10.3	0	2.0	20.2
Heliport	1985	2.5	0.1	0.6	2.4	0	5.6
Walker Building	1985	2.0	0	0	0	1.4	3.4
Embassy Suite Hotel	1985	6.45	0	0	25.0	0	31.5
Lockerbie Market	1986	1.8	0	0	14.0	0	15.8
Union Station	1986	16.3	0	1	36.0	0	53.3
City Market	1986	0	0	0	0	4.7	4.7
Pan Am Plaza	1987	0	0	5.7	25.0	4.5	35.2
Lockfield Apartments	1987	0	0	0.6	24.6	0	25.2
Canal Overlook Apartments	1988	0	0	0	11.0	0	11.0
Zoo	1988	0	0	0	0	37.5	37.5
Nat'l Institute of Sports	1988	0	3.0	3.0	0	3.0	9.0
Eiteljorg Museum	1989	0	0	0	0	60.0	60.0
Westin Hotel	1989	0.5	0	0	65.0	0	65.5
Indiana University	75-90	0	231.0	0	0	0	231.0
Farm Bureau	1992	0	0	0	0	36.0	36.0
State Office Center	1992	0	264.0	0	0	0	264.0
Lilly Corporate Expansion	1992	0	0	0	242	0	242.0
Circle Centre Mall[22]	1995	0	0	290.0	0	10.0	300.0
Other Projects	74-98	0	0	0	1,066.9	0	1,066.9
Property Tax Abatements	74-98	0	0	98.0	0	0	98.0
Victory Field	1997		5.0	9.0	9.0		23.0
Conseco Fieldhouse	1999		38.0	71.0	69.0		178.0
USA Funds				16.6		16.6	
RCA Dome Improvements	1999			20.0			20.0
NCAA Headquarters	1999		5.0			70.0	75.0
New Hotels	1999			100.0		100.0	
Convention Center Additions	1999				25.0	25.0	
TOTAL		46.7	555.0	578.3	1,689.8	428.7	3,298.5
PERCENT		1.4	16.8	17.5	51.2	13.0	100

21. DEP'T METROPOLITAN DEV., CITY OF INDIANAPOLIS

22. This is the present value of the city's investment. The city also is responsible for a $33 million loan from the state of Indiana due in 2000. The data in Table 2 identifies the annual costs for the bonds negotiated for the city's investment.

TABLE 4: PROJECTS AND SOURCES OF FUNDS FOR DOWNTOWN DEVELOPMENT IN PHOENIX (IN MILLIONS)

Projects	Year	Source of Funds			Total
		State	City	Private	
First Interstate Bank Renovation	1993			40	40
Bank of America Renovation	1994			9	9
Phoenix Museum of History	1995		9.5		9.5
Downtown Streetscape	1995		8.8		8.8
AT&T and US West	1996			15	15
Phoenix Civic Plaza	1996		31		31
Phoenix Newspapers	1996			35	35
Abbey House Housing Project	1996			8.8	8.8
Orpheum Theatre	1997				14
Arizona Science Center	1997	48			48
Metropolitan Apartments	1997			10	10
New Phoenix Transportation Center	1997		7.5		7.5
411 N. Central Building	1997			8	8
AMC 24 Screen Theatre	1998			10	10
Ball One Ballpark	1998		238	113	351
Alice Cooper'stown Restaurant	1998			2.7	2.7
Holiday Inn Express Hotel & Suites	1998			8	8
Valley Youth Theatre	1998	7			7
Embassy Suites	1999			52	52
Civic Plaza Parking	2001		43		43
Roosevelt Square Housing	1999			75	75
Park at Arizona Center Housing	1999			25	25
Collier Center	2000			400	400
Mariott at Collier Center	2001			113	113
Phelps Dodge Center	2001			78	78
TOTAL		55	514.5	1287.9	1871.4
PERCENT		2.9	27.5	68.8	

TABLE 5: HOUSEHOLD WEALTH BY REGION, 1996[23]

Region	Percent of Households With Disposable Incomes Between: $75,000 and $150,000	Above $150,000	Total	Rank
Indianapolis	9.9	1.16	11.06	3
Cincinnati	10.3	1.33	11.63	1
Columbus	9.4	1.11	10.51	5
Dayton	9.1	0.90	10.0	7
Fort Wayne	7.5	0.84	8.34	9
Louisville	7.8	1.04	8.84	8
Minn./St. Paul	9.6	1.22	10.82	4
Milwaukee	9.1	1.11	10.21	6
St. Louis	10.1	1.29	11.39	2

TABLE 6
SALES TAX REVENUES GENERATED IN DOWNTOWN PHOENIX BY BUSINESS TYPE[24]

Year	Restaurants, Bars	Hotels, Motels	Retail	Total
Rate	*1.3%*	*4.3%*	*1.3%*	
1991	$ 577,833	$ 808,698	$270,111	$1,656,642
1992	602,270	721,553	279,251	1,603,074
1993	695,613	785,293	344,150	1,825,056
1994	789,601	1,008,919	339,257	2,137,777
1995	806,963	1,105,665	309,789	2,222,417
1996	914,549	1,389,192	291,879	2,595,620
1997	930,476	1,411,185	291,527	2,633,188
1998	1,357,665	1,493,189	487,773	3,338,627

23. MARKET STATISTICS, INC.
24. City of Phoenix, Finance Dep't, Tax Division

TABLE 7: CITYWIDE SALES TAX RECEIPTS AND THE PROPORTION FROM DOWNTOWN PHOENIX[25]

Citywide Sales Taxes Receipts By Activity and Year in Millions of Dollars								
	1991	*1992*	*1993*	*1994*	*1995*	*1996*	*1997*	*1998*
Restaurants, Bars	12.0	12.7	13.3	15.5	16.8	18.2	19.4	21.0
Hotels and Motels	10.0	10.3	11.3	13.3	14.8	16.9	18.4	19.2
Retail	72.2	73.5	77.3	92.7	100.4	108.1	113.5	122.2
Total	94.2	96.5	101.9	121.6	132.0	143.2	151.3	162.5

Sales Taxes Collected Downtown as a **Percentage** of the Taxes Collected Throughout Phoenix								
	1991	*1992*	*1993*	*1994*	*1995*	*1996*	*1997*	*1998*
Restaurants, Bars	4.8	4.8	5.2	5.1	4.8	5.0	4.8	6.5
Hotels, Motels	8.1	7.0	7.0	7.6	7.5	8.2	7.7	7.8
Retail	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.4
Total	1.8	1.7	1.8	1.8	1.7	1.8	1.7	2.1

25. *Id.*