

New York City spends \$2 billion on stadiums while slashing public funds

Peter Daniels
19 June 2008

New York City's two major league baseball teams are in the midst of constructing enormously expensive new stadiums to be ready for opening day of the 2009 baseball season.

Yankee Stadium in the Bronx, which opened 85 years ago, will be replaced by a new structure that is going up right across the street, on the current site of Macombs Dam Park. The new stadium is expected to cost at least \$1.3 billion, making it the most expensive stadium ever built in the US. The \$1.3 billion figure does not include at least \$500 million that the city is spending for garages and to replace the parkland handed over for the new stadium.

Meanwhile, the same thing is happening in the borough of Queens. Right next to Shea Stadium, since 1964 the home of the New York Mets, the new CitiField is going up, named after banking giant Citigroup, which is paying \$20 million annually for the naming rights for the next 20 years. The cost of building CitiField will run between \$700 million and \$800 million.

The spectacle of two new stadiums going up in the shadows of two perfectly serviceable old ones—at a cost of well over \$2 billion—is a fitting symbol of the greed and irrationality of the profit system in general and privately owned professional sports franchises in particular.

In a prime example of “corporate welfare,” the New York City and state governments have come up with \$204 million for the new Yankee Stadium and \$166 million for CitiField. They are also spending more than \$300 million for parking garages and new parkland to replace what was taken for the new stadium in the Bronx.

And this does not include the hundreds of millions of dollars in tax-exempt bond financing arranged and

agreed to by city and state officials. This past week, the Yankees were reported to have asked for an additional \$350 million in such financing, on top of the \$943 million in city bonds they got after the project was first announced in 2006.

The new stadiums are in some respects the sports equivalent of the million-dollar luxury condominiums sprouting up in various parts of Manhattan, which have lately been in the news because of two separate crane accidents only weeks apart that led to the deaths of construction workers and neighborhood residents.

Both the new Yankee Stadium and CitiField will have significantly fewer seats than the arenas they are replacing. The Bronx stadium will have 51,000 seats compared to the current 57,545. CitiField will have 45,000 compared to the current 57,333. The result will be higher priced seats as space is cleared for more luxury boxes. Both stadiums are being designed with the aim of making a greater appeal to the wealthy as well as corporate customers and their clients.

For average working class New Yorkers, the new stadiums will be even more out of reach than the existing ones, particularly when the cost of parking and other expenses are taken into account.

When the Yankee Stadium project was approved three years ago, the local community had no input. The transfer of neighborhood parkland was passed by the state legislature without a public hearing. Replacement parks were mandated under state and federal law, but the promise of new parks has predictably turned out to be something of a hoax.

None of the new parks have been completed, even though the area lost access to its parks when construction began two years ago. While Macombs Dam and John Mullaly Parks were nearly contiguous and conveniently situated, the new parkland is scattered

around in small parcels. Some sports fields are going to be on top of the planned stadium parking garage, and will be closed on 81 home game days a year, almost half the time during the spring and summer months. Another park will be a mile away on the Harlem River waterfront, on the opposite side of an interstate highway. Neighborhood residents are understandably disgusted and angry over the situation.

The Bronx is the city's poorest borough, and the neighborhoods of the South Bronx and West Bronx, within a short distance from the home of the richest team in baseball, have some of the lowest per capita incomes in the city, along with every imaginable index of poverty.

As another recession looms, and with tax revenues from Wall Street falling, New York billionaire Republican Mayor Michael Bloomberg has put all city agencies on notice to prepare for new rounds of budget cuts and fiscal austerity. The city's transit authority, meanwhile, is preparing to raise bus and subway fares for the second year in a row,

Just this week the city's Housing Authority revealed that a \$195 million deficit for the current year could force the closing of community centers, senior centers and other programs upon which thousands depend. The Housing Authority runs 343 public housing projects that are home to more than a half-million residents. Average household income in these developments is about \$22,000. The looming crisis threatens 94 community centers, 140 senior centers and 135 day care and Head Start programs.

The city's current priorities were graphically illustrated in a recent column by Jim Dwyer of the *New York Times*. Dwyer points out that the city borrowed about \$120 million 10 years ago to build new stadiums for the minor league affiliates of the Yankees and the Mets in the boroughs of Brooklyn and Staten Island. This relatively modest sum—compared to the billions being spent on the major league ballparks—translates into debt repayments of \$6 million a year.

With this annual interest payment to the banks, the city finances 12 weeks of baseball a year for two privately owned teams, which each play 38 home games at a cost to New York taxpayers of nearly \$90,000 a game.

The amount being spent in interest for these two Class A team stadiums, meanwhile, is \$2 million more

than what the city spends year-round on sports equipment and uniforms for New York's 400,000 public high school students.

Even this sum—which amounts to barely \$10 per student—faces reduction as the city seeks to impose \$450 million in budget cuts on the schools.

There is a revolving door between the government officials who pay out these public subsidies and their corporate beneficiaries. New York Yankees President Randy Levine, for instance, is a former deputy mayor under the administration of Rudy Giuliani. When Bloomberg first took office six years ago, he briefly hesitated on carrying out Giuliani's plans for publicly funded stadiums, but quickly changed his tune.

Corporate welfare is a completely bipartisan policy. The Yankee Stadium project is fully backed by Bronx Borough President Adolfo Carrion, Jr. and other local Democratic officials.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact