From: Bonnie Roe
To: All Alders; Tishler, Bill; Mayor
Subject: Please Vote No on $4 million + Debt (#79)
Date: Tuesday, May 7, 2024 5:56:35 PM

Caution: This email was sent from an external source. Avoid unknown links and attachments.

Dear Alders,

I'm having a hard time understanding how you are even entertaining the thought of spending $4 million in local TIF and GO Borrowing on improvements on Breese Stevens Field. What are the estimated costs to finance that debt? How much in interest? What will the total cost be? What improvements are being made? Who will benefit? What was the process used for determining this grant?

Why do you expect city taxpayers to pay a matching $4 million on a state grant when Big Top Sports, a for-profit business, will be the primary beneficiary of the improvements?

Please vote no or refer this decision to a later meeting so that questions involving transparency can be answered, the tax-paying public can understand what is at play here, and the Council can make an informed decision.

Thank you,

Bonnie Roe
District 11

From: Alex Saloutos
To: All Alders
Subject: Agenda item number 79, Legistar ID No. 82711, $8 million investment in Breese Stevens Field
Date: Tuesday, May 7, 2024 5:18:10 PM
Attachments: 240508_BREESESTEVENS_LETTER_COMMONCOUNCIL.pdf

Some people who received this message don't often get email from asaloutos@tds.net. Learn why this is important

Caution: This email was sent from an external source. Avoid unknown links and attachments.

Please see attached letter regarding item number 79 on your agenda tonight, Legistar ID No. 82711, an $8 million investment in Breese Stevens Field. I hope you have a chance to read this before deliberating on this matter. Given the dearth of information on this proposal, and the structural deficits we face, it should be referred. Thank you for your time and consideration.

--

Alex Saloutos
BHHS True Realty
Cell: (608) 345-9009
Email: asaloutos@tds.net

Alex Saloutos

3318 Hammersley Avenue
Madison, WI 53705
Phone: 608/345-9009
E-mail: asaloutos@tds.net

May 7, 2024

Email: allalders@cityofmadison.com

Common Council
City of Madison

Re.: **$4 million State of Wisconsin grants for Breese Stevens Field improvement project, and $4 million in matching city funds, including $2 million, not including interest, in GO borrowing**, **Legistar ID No. 82711**

Dear Alders:

Regarding item number 79 on your agenda tonight, if the city can secure a $4 million grant from the state, it is a good thing on its face. However, from what I can see, this proposal has issues on multiple levels, including the absence of information necessary for the public and common council to make an informed decision.

1. What will the $8 million (plus interest on any borrowing) be used for? We only know it is for, "improvements at Breese Stevens Field." The dearth of information on an $8 million project is surprising, and fiscally irresponsible.

2. What else can the city use the state grant for?

3. If the state grant can be used for other city projects, what other uses were considered and why are the improvements to Breese Stevens Field the best use of this grant?

4. What was the process for determining the use of this grant?

5. What are the proposed terms, and the estimated total amount of interest taxpayers will pay on the $2 million in general obligation (GO) borrowing? Borrowing isn't free, and I expect the amount of interest on the borrowing will be substantial. Considering the city projects a $27 million structural deficit in the 2025, and it will more than double to $60 million in 2029, it is also surprising and fiscally irresponsible that the council would consider a proposal of this magnitude without taxpayers or the council knowing what the total cost might be.

   It should be city policy that any proposal for GO borrowing includes the information on the proposed terms and an estimate of the interest that taxpayers will pay. While the final terms and the actual costs of the interest are not determined until a bond package is finalized, a good faith estimate can and should be included in any proposal for GO borrowing.

6. The proposal directs city staff to seek an amendment to the TID #36 Project Plan from the TIF Joint Review Board to utilize TID #36 funding in lieu of GO borrowing. Given the housing crisis we face, the needs for affordable housing, and other pressing needs we have, why is the Breese Stevens Field Improvements project the best use of TID #36 funding?

7. Why should city taxpayers be responsible for matching the $4 million dollar state grant when Big Top Sports, a for profit business, will be the primary beneficiary of the improvements? This is a very successful business that sells luxury boxes for soccer games and $400 concert tickets, does not pay a penny in property taxes or a payment in lieu of taxes (PILOT) for their use of this property, and, after the city's capital contributions, is generously subsidized by taxpayers.

8. How do taxpayers or the council know we are being fairly compensated for Big Top's use of Breese Stevens Field? Taxpayers are expected to invest $8 million in Breese Stevens Field, not including interest on the borrowing, but there is nothing in the record on what the use of this city property is worth to Big Top Sports. Based on what I know about Big Top's operations, taxpayers would be shocked to learn how much money Big Top and Frank Productions make from their use of Breese Stevens Field, and how much they're subsidized by the city.

The City of Madison urgently needs a policy on the use of city property by for profit enterprises.

The City of Madison needs a policy on the use of city property by for profit enterprises that is open, transparent, equitable, and fairly compensates the city for the value of the use. The Parks Department's policy on the use of Breese Stevens Field is contrary to their policy on the operation of our municipal golf courses, which must be self-sufficient, and generate revenue for the city's general fund; which will be about 5% of their revenues in 2024. How much revenue would be generated if a similar policy applied to Breese Steven Field and Warner Park? Last year, Live Nation, the parent of Frank Productions, who is the exclusive concert promoter at Breese Stevens Field, had operating income of $1.07 billion, a 46% increase over 2022. After capital contributions are considered, it appears that the use of Breese Stevens Field by Big Top and Frank Production is subsidized by taxpayers.

In addition, earlier this year you approved the use of Warner Park at no charge by Big Top for seven concerts per year, with a capacity of up to 15,000, through 2035, a total of 84 concerts. Do you know what concert promoters typically pay for just one concert at a similar venue? Finally, as a homeowner I pay hefty property taxes year in and year out without receiving any income from my use of the property. However, if I supplement my income renting a room on Airbnb to help pay my property taxes, I must pay the city a room tax that is 10% of revenues! The contradiction between the use of city property by highly profitable for profit enterprises, and ordinary taxpayers is grossly unfair.

As I hope you can see, this proposal raises a number of important questions. In the interest of transparency and making an informed decision, the public and the council must have this information well before a public hearing on this proposal and the council deliberates on it. As such, I respectfully ask that you refer this matter to a future meeting until after the public has this information and is able to review it.

Sincerely,

Alex Saloutos