

Georgia State University

## ScholarWorks @ Georgia State University

---

Kinesiology Faculty Publications

Department of Kinesiology and Health

---

2-6-2017

### Framing democracy: Stadium financing and civic paternalism in Test Market, USA

Timothy Kellison

*Georgia State University*, tkellison@gsu.edu

Joshua Newman

*Florida State University*, jnewman@fsu.edu

Kyle Bunds

*North Carolina State University*, ksbunds@ncsu.edu

Follow this and additional works at: [https://scholarworks.gsu.edu/kin\\_health\\_facpub](https://scholarworks.gsu.edu/kin_health_facpub)



Part of the [Kinesiology Commons](#)

---

#### Recommended Citation

Kellison, Timothy; Newman, Joshua; and Bunds, Kyle, "Framing democracy: Stadium financing and civic paternalism in Test Market, USA" (2017). *Kinesiology Faculty Publications*. 48.  
[https://scholarworks.gsu.edu/kin\\_health\\_facpub/48](https://scholarworks.gsu.edu/kin_health_facpub/48)

This Article is brought to you for free and open access by the Department of Kinesiology and Health at ScholarWorks @ Georgia State University. It has been accepted for inclusion in Kinesiology Faculty Publications by an authorized administrator of ScholarWorks @ Georgia State University. For more information, please contact [scholarworks@gsu.edu](mailto:scholarworks@gsu.edu).

**Framing democracy: Stadium financing and civic paternalism in Test Market, USA**

Timothy B. Kellison

Georgia State University

Atlanta, GA USA

Joshua I. Newman

Florida State University

Tallahassee, FL USA

Kyle S. Bunds

North Carolina State University

Raleigh, NC USA

Correspondence should be addressed to: Timothy B. Kellison, Georgia State University,  
Department of Kinesiology and Health, PO Box 3975, Atlanta, GA, USA 30302, phone: 404-  
413-8363, fax: 404-413-8053, email: [tkellison@gsu.edu](mailto:tkellison@gsu.edu)

## Abstract

The vast majority of North America's professional sport arenas, ballparks, and stadiums are publicly subsidized without direct approval from voters. In this article, we examine the discursive constitution of 'no-vote subsidies' within the public sphere, and in particular problematize the twinned production(s) of citizenship and democratic process in framing public subsidization of these sites of private accumulation. To do this, we examine the recent no-vote subsidy occurring in Columbus, Ohio—thereby providing context-specific interrogation of the mediations of participatory citizenship, political decision-making, and the institution of democracy as related to sport stadium funding. As part of this analysis, we discuss the public production of civic paternalism—a political ideology focused on urban growth and unconcerned with future electoral consequences—in the Columbus arena financing case. We conclude the article with a call for increasing scholarly engagement in, and intervention into, the political processes that result in the public subsidization of professional sport venues.

*Keywords: public policy, political science, public subsidies, sport finance, democratic theory*

### **Framing democracy: Stadium financing and civic paternalism in Test Market, USA**

In the late 1990s, policymakers in New York City were considering options for a new publicly financed ballpark to be built in the city's Manhattan or Bronx boroughs. Acknowledging the likelihood that public financing for the new facility would be unpopular among voters, then-mayor Rudolph Giuliani argued against, and subsequently vetoed, a City Council plan to hold a referendum:

A local law that would place a referendum on the ballot and ask voters of the city to decide whether public money can be spent on a new stadium in Manhattan would unjustifiably eliminate a viable option that could potentially insure that the Yankees remain in New York City. (as quoted in Ravo 1998, B3)

Giuliani's allusion to an 'unjustifiable' process—a concern of many policymakers wherever new arenas, ballparks, and stadiums (all of which are hereafter referred to as stadiums) are being considered—suggests that a public vote might have jeopardized local and state governments' ability to set the conditions upon which stadium financing arrangements are made. The argument made by Giuliani and other public officials is thus: by proscribing public votes—through initiatives or referendums—city leaders can avoid confronting the possibility that local citizens are largely unsupportive of stadium subsidies.

This line of political thinking suggests that by electing individuals to office, voters are entrusting them to make often difficult—and sometimes unpopular—decisions that will benefit the community as a whole. Such an ideology typifies what has been referred to as *civic paternalism*, a political decision-making strategy informed by a trustee-based philosophy of representation and the conviction that economic growth is best for the community (Dean 2006; Kellison and Mondello 2014). Civically paternalistic leaders like Giuliani assert that projects that

create jobs, stimulate business, and foster city pride are worthy of public subsidization, even if most citizens disagree.

An alternative to receiving public funding for professional sport venues—whether after a public vote or via a no-vote subsidy—is, of course, exit, or a team relocating. The North American sports fan (and those elsewhere) is well versed in this interplay of capital and governance. Underlining the words of Giuliani, ‘that could potentially insure that the Yankees remain in New York City,’ is the notion that a team can leave and will leave if not given the support organizational leaders, usually ownership, feels they deserve. One can turn, for example, toward the recent attempt by several NFL teams’ interest in moving to Los Angeles and Las Vegas. The St. Louis Rams (who legally do not need a public vote for securing public funds toward building a new stadium), Oakland Raiders, and San Diego Chargers all demanded substantial contributions from the local tax base through threats to leave for Los Angeles (Dillon 2015; Hunn 2015; Knoblauch 2015; Logan 2015). Even after the team was offered a \$1.1-billion stadium (of which \$400 million were public funds) to stay in St. Louis, the Rams elected to relocate (Hunn 2016). As of summer 2016, the Raiders and Chargers are lobbying for new stadiums in Las Vegas and San Diego, respectively (Showley and Weisberg 2016; Velotta 2016). These cases exemplify the threat (and occasional reality) of exit.

As Hirschman’s (1978) essay on exit and voice detailed, competitiveness drives the possibility of exit and privileges the voice of the individual, state, or organization with capital. It is the threat of capital and capital capacities leaving or ‘exiting’ that drives these conversations. Therefore, in cities across North America, policymakers commonly pledge their support for public stadium subsidization without the consent of the citizenry. In fact, of the 50 professional sport facilities (i.e., across MLB, MLS, the NBA, the NFL, and the NHL) receiving public

funding since 2005, only eight received approvals through citizen vote. The remaining 42 stadiums—cases of the so-called ‘no-vote subsidy’—represent a public cost of over \$8.3 billion (Sport and Urban Policy Initiative 2016). Included in this number are 16 new or renovated facilities slated to open between 2016 and 2019, only three of which have been subject to an initiative or referendum.

This no-vote stadium financing phenomenon has been met with criticism by those who have pointed out that publicly-funded stadiums have failed to generate significant economic benefits for their cities (cf. Kellison 2013). Instead, they can create issues of gentrification (Baade and Dye 1988; Chapin 2004; Spirou 2010; Whitson and Macintosh 1996) and opportunity costs associated with defunding schools, police, and other public agencies (Eisinger 2000; Howard and Crompton 2013; Siegfried and Zimbalist 2000) while serving to redistribute public assets to private capital (Delaney and Eckstein 2003; Jones 2002; Rosentraub, Swindell, Przyblyski, and Mullins 1994; Thornley 2002). In the academy, scholars from sport management (Kellison and Mondello 2014), urban and regional planning (Chapin 2004), and the sociology of sport (Bélanger 2000; Friedman and Andrews 2011; Friedman, Andrews, and Silk 2004; Friedman and Mason 2004; Smith and Ingham 2003) have offered more empirically-grounded analyses of the negative effects of no-vote stadium financing schematics.

In this article, we add to this literature by considering how stadium financing politics are framed within the public sphere—and how these mediations create conditions of emergence from which members of *the public* become stakeholders in publicly-funded sports stadia. Thinking back to Giuliani’s dictum, we argue that such civic paternalism is grounded in the belief that public opinion is inconsequential to urban planning and public-finance decisions and that there is a prioritization of organizational capital assets that benefit local politicians and business owners

over the voice of the people as played out through the threat of exit. An underlying theme of this paper is to consider when—if ever—the tools of direct democracy should be accessible to citizens. To empiricize the concerns raised above, we focus our analysis on one of the most recent cases of the no-vote subsidy—Columbus, Ohio—a city historically opposed to public stadium financing. Columbus, often referred to as ‘Test Market, USA’<sup>1</sup> due to a long history of product testing in the market (which is attributed to the city’s central geographic location and nation-representative demographic, socioeconomic, and culture profile), provides an important case for examining how private sport firms and public intermediaries produce not only the conditions of consent and the makings of stakeholderhood through public discourse, but in so doing also re-constitute the very makings of democratic process.

### **Arena financing in Columbus, Ohio**

We begin by describing the plan for the public acquisition of Nationwide Arena (PANA Plan), the city’s downtown multipurpose facility, and the development of the surrounding Arena District. This information is imperative because it helps explain the unique context on which this paper is focused. Next, we offer an historical review of the city’s previous direct-democracy votes related to stadium financing. Finally, we detail the terms of the PANA Plan, including the rationale given by policymakers for the public’s involvement and the process through which the plan was approved.

### **Nationwide Arena and the Arena District**

Downtown Columbus once bustled with residential interest and economic activity (Curry, Schwirian, and Woldoff 2004). However, this prosperity dissipated rapidly beginning in the 1960s, decreasing from a peak of 29,845 downtown residents to less than 3,500 in 2000 (Columbus Downtown Development Corporation 2015). According to Curry, Schwirian, and

Woldoff (2004), two factors led to the downtown exodus. First, the suburbanization of shopping, prompted by population growth in the city's outskirts, created competition with the downtown's commercial options. Second, the completion of a freeway system that included the Route 270 outerbelt made travel between downtown and the suburbs more viable.

Although several previous attempts to build a downtown arena had been unsuccessful (highlighted below), Curry, Schwirian, and Woldoff (2004) credited the eventual development of the arena and surrounding entertainment district to the city officials' desires to restore the downtown area to what it had been in the 1950s and 1960s:

The socioeconomic position of [downtown residents] had slipped and could no longer support the economy that it once had. Also, physical decay was evident in many inner-city neighborhood areas, thereby making them unnerving, scary areas at night. The downtown was no longer the first choice for recreating and relaxing. Indeed, downtown Columbus seemed like a ghost town at night. It was this decline that eventually led to the push for downtown urban redevelopment and ultimately to the arena issue. (47)

Planning culminated in a vote in 1997, when Franklin County residents defeated Issue 1, a proposition to raise the sales tax over three years to pay for a stadium project. Had this plan passed, the sales-tax revenues would have been used to build a multipurpose arena that came with the promise of an NHL expansion franchise. The electoral defeat was the latest in a series of public stadium votes, all of which were defeated by Franklin County voters (outlined in Table 1).

[Table 1 about here]

A day after voters rejected Issue 1, the *Columbus Dispatch* called the outcome 'a shame' based on the assumption all hope was lost for a downtown arena and hockey team. Despite their



frustration, the *Dispatch* staff nevertheless recognized the voting outcome as the latest expression of the will of Franklin County residents:

Over the last two decades, five variations of an arena, convention center and stadium proposals have been put before city and county voters. All have been defeated, and only one issue was close. Yesterday, Franklin County voters again spoke with a loud voice. ...Although *The Dispatch* considers the election outcome a loss for the community, the vote represents a clear and convincing expression of its judgment. ('Down for the Count' 1997, 8A)

The seemingly obvious outcome of the vote was that the city's hope of being awarded an NHL franchise was lost, as the *Dispatch* editorial continued: 'What happens next? There's no Plan B. Columbus just rejected a chance for a National Hockey League team. The NHL now will expand elsewhere and no other league will look at this market when so many others are willing to join in public-private ventures' (8a). Three days after the vote, however, the NHL postponed its expansion announcement to allow Columbus to identify financing alternatives. Less than a month after Issue 1 was rejected, Mayor Greg Lashutka and the Columbus city council approved a proposal to privately fund a downtown multipurpose arena (Futty 1997a). On June 25, 1997, the NHL announced Columbus was among the four cities awarded new hockey franchises (Futty 1997b). The final cost of Nationwide Arena was \$150 million, and the 18,500-seat arena opened in 2000 (Wright 1999).

### **The public purchase of Nationwide Arena**

#### ***The plight of the Blue Jackets***

Within the last several years, concern has grown over the competitive and financial solvency of the Columbus Blue Jackets, the city's pro hockey franchise and primary tenant of

Nationwide Arena. Prior to the arena's public purchase, the team had made only one playoff appearance, and in the 2010–11 season, season-ticket sales decreased by 25% and average seating capacity filled dropped below 80% (Reed 2011). In addition to the declining attendance, fans' growing frustration was being expressed in other ways. For example, on the day the league office announced Nationwide Arena would host the 2013 NHL All-Star Game,<sup>2</sup> 250 fans protested Blue Jackets' management in front of the arena (Hunter 2012).

Reports from the *Columbus Dispatch* indicated team owners had seen a significant depreciation of their capital assets, including \$80 million between 2002 and 2009 and \$25 million in the 2010–11 season alone (Caruso 2011a; Portzline 2011). In 2009, the Columbus Chamber of Commerce commissioned a study by Professor Stephen A. Buser to analyse the economic sustainability of the Blue Jackets. While praising the private developers for the progress they had made with the Arena District, he also warned that drastic measures were needed to maintain the team's viability (Buser 2009).

The primary challenge for Blue Jackets management was the terms of their agreement with Nationwide Arena. Teams competing in publicly owned facilities are typically offered generous lease terms, including a low cost of rent and entitlement to some, if not all, of parking, naming-rights, luxury box, and concessions revenues (Long 2005). However, because Nationwide Realty owned the arena and the Blue Jackets had little negotiating power, Nationwide had the upper hand (Hunter 2011). As a result of the unfavourable lease, the Blue Jackets were required to pay \$5 million annually in rent, whereas other NHL teams paid much lower rents, if any at all. Additionally, unlike most other NHL teams, the Blue Jackets were charged with managing the arena, costing the team another \$4 to \$5 million annually. Many pundits argued that these expenditures—unique in the NHL context to the Blue Jackets—put the

team at a competitive disadvantage in retaining elite, high-salaried players relative to other teams in the league (Caruso 2011a).

Noting that other cities were seeking NHL franchises and building similar arena developments, Buser (2009) emphasized that a timely solution was necessary. With the Blue Jackets' finances in dire straits, the local media began to raise concerns that the team would relocate to another city. The city and county had a direct financial stake in neither the Blue Jackets nor Nationwide Arena; however, losing the team could mean the loss of jobs along with the primary tenant of the arena (Arace 2011). The loss of the Blue Jackets could trickle down to other businesses in the Arena District, creating a disastrous snowball effect.

In spite of seemingly inadequate consumer interest and a lack of solvent revenue rates, in September 2011, the Franklin County Convention Facilities Authority (FCCFA) announced a preliminary agreement to secure the Blue Jackets' presence in Columbus until at least 2039 (Caruso 2011a). The PANA Plan called for the FCCFA (acting on the behalves of the city and county) to purchase Nationwide Arena, while Nationwide would purchase an ownership share of the team. Though portrayed above as a relatively straightforward agreement, the PANA Plan involves a complex set of arrangements. In the following section, the terms of the plan, including the sources for public financing, are detailed.

### ***Financing details of the sale***

The PANA Plan emerged from a joint partnership between Columbus city and Franklin County officials. As noted in a report filed by the partnership, a working committee of seven individuals was formed to address the arena situation. The membership included: Mayor Michael B. Coleman; his chief of staff, Michael D. Reese; City Council President Andrew J. Ginther; City Auditor Hugh J. Dorrian; Franklin County Commissioner John O'Grady; County

Administrator Don L. Brown; and Executive Director of the FCCFA, William C. Jennison. The group created a finance subcommittee. The subcommittee was tasked with developing a financially viable proposal that would protect the long-term health of the Arena District while adhering to the working committee's transaction principles. These principles included using casino tax revenues rather than tapping into the city and county's general funds; making no payments to the Blue Jackets for past losses; obtaining significant investments from the private sector; and maintaining an existing agreement in which Nationwide made contributions to Columbus Public Schools (City of Columbus 2011b).

Their efforts resulted in the Columbus PANA Plan, in which Nationwide Arena would be purchased by the FCCFA (representing the city and county) for \$42.5 million. When accounting for arena upgrades and projected operating (e.g., utilities, maintenance and janitorial service, game day personnel; Greenberg 2000) and capital expenditures (e.g., scoreboard upgrades; Bell 2012), the total cost of the transaction would be \$53.3 million. The city's and county's payment obligations would be repaid using casino-generated tax revenue.

When the FCCFA's plan to buy Nationwide Arena surfaced, public response to the deal varied. While many expressed relief that the downtown arena's anchor resident would stay in Columbus, others showed concern about the decision to spend public money without voter approval, especially considering city and county voters' historic resistance to stadium subsidies (Caruso 2012; Tussel 2011). In acknowledgement of these concerns, city auditor Hugh Dorrian contended, 'There's a fundamental difference between [past] attempts and this attempt: Those called for an increase in taxes' (as quoted in Caruso 2011a, 1A). *Dispatch* sports columnist Bob Hunter (2011) also emphasized that the current plan was unlike previous proposals:

You shouldn't have to be a hockey fan to see what the Blue Jackets have done for the city, and it has nothing to do with winning and losing. ...It bothers me that some people still seem to be wearing their vote against the arena when it was on the ballot as a badge of honor, as if they still have no concept what the franchise has done for the community. They got an arena that was privately financed—good for them—but apparently don't want to admit they had benefitted from it. (1C)

The most vocal opposition to the deal came from challengers to incumbent elected officials, including Earl Smith, Republican challenger to then three-term mayor Michael B. Coleman (Caruso 2011c). Smith denounced the plan, arguing that public money should instead be spent responding to housing issues and preventing crime (Caruso 2011d). Another opponent of the arena deal was Matt Ferris, a Republican running for city council in the 2011 election. Ferris was ejected from the city council's meeting to vote on the arena deal after his request to speak at the meeting was rejected, as per meeting procedures. During the incident, he argued, 'You take two years to put together a backroom deal and then two weeks to talk about it. I'm sorry, but you're spineless. And you're a crook because you're taking my tax dollars' (as quoted in Caruso 2011b, 1A).

On October 3, 2011, the Columbus city council approved the purchase of Nationwide Arena. Six council members affirmed the motion, while the seventh, Zachary Klein, abstained because of his law firm's involvement in the deal (Caruso 2011b; City of Columbus 2011a). When explaining his support for the deal, city council president Andrew Ginther noted, 'We cannot in this environment stand by and not do everything we can to protect jobs and build [an] environment for jobs to be created in the future' (as quoted in Trimble 2011a, para. 3). Then, on

December 19, Franklin County's three commissioners gave unanimous approval (Trimble 2011b). The purchase closed on March 28, 2012 (Caruso 2012).

While it is important to acknowledge that the PANA Plan did not include a regressive-tax increase like what had been proposed in Franklin County's previous stadium-financing referendums, the allocation of casino-generated tax monies toward the purchase of Nationwide Arena nonetheless involved significant opportunity costs to county residents. Opportunity costs are the costs borne by other programs and projects (such as education, welfare, infrastructure, and civil services) that could have been funded with the money earmarked for the arena financing (Eisinger 2000; Howard and Crompton 2013). For example, city officials estimated that in 2014, over \$7.7 million of casino-generated revenues would be used for arena expenditures and servicing the state and private loans; this total amounted to 25% of the total projected casino taxes (City of Columbus 2011b). After three years, the share of the casino revenues directed toward the arena would increase in 1% increments before capping at 32%, thereby increasing the opportunity costs.

Thus, in lieu of utilizing the tools of direct democracy, Columbus city councilmembers and Franklin County commissioners elected to unilaterally adopt the PANA Plan. This decision-making process contradicts past stadium-financing procedures in Franklin County. Next, we theorize that decision-makers involved in no-vote subsidy policymaking substantiated their actions based on a civically paternalistic mind set.

### **Civic paternalism, initiatives and referendums, and representative democracy**

In this section, we discuss in further depth two forms of democracy: representative democracy and direct democracy. Rosenthal (1998), invoking Anthony King's scholarship, discussed two models of the legislative branch. In the first, labelled as the division of labour, the

governor and the governed stand on opposing sides of decision making. Governors consider what they believe is best when making decisions, but do not need to show concern for what the governed believe. In the second model, agency, the elected representative must respond to what the constituents desire. Alternatively, in direct democracy, there is no need for an intermediary; instead, citizens vote directly on all governmental issues.

The term ‘representative’ has itself carried different connotations throughout history. Eulau, Wahlke, Buchanan, and Ferguson (1959) suggest that representative simply means an official elected by modes of popular election. If the people elected begin making decisions that many disagree with, then they are said to be unresponsive, thereby contributing to the so-called ‘democratic deficit’ (Lax and Phillips 2011). Rosenthal (1998) observed that citizens in America feel as though they have lost control of *their* country, while Dalton, Burkin, and Drummond (2001) noted that in the last 25 years of the Twentieth Century, there was a strong sentiment for moving toward a more direct democracy because individuals did not believe they were being engaged in the process of decision making. Thus, there has been ever decreasing numbers of voters turning out to vote. While this is not in and of itself enough of a reason to abandon representative democracy, it does indicate a disconnect and lays to bare a problem with representative theory in general. That is, representative elections have not yielded representative decisions—partially at the fault of the voter (Dalton, Burkin, and Drummond 2001). While this tearing away from a truly representative structure is based on multiple factors, it remains applicable here.

Scherer and Sam (2008) argued that most public stadiums are built today without public consultation, and at times, against the will of the people. Therefore, representative democracy in these cases fail. In these instances, decisions are made with a focus on helping the business elite

and with a belief that bringing in large money from outside visitors and investors will improve lives. However, as Scherer and Sam have argued, these decisions are often focused heavily on pro-business interests that favour capitalist elites.

According to Molotch (1999), the local elites rule civic politics based on their high levels of influence: ‘The role of the local rentier elite links daily life and mundane local politics, on the one hand, to the larger economic and political structures of constraint and support, on the other’ (248). Most policymakers would likely take exception to Molotch’s argument that the growth machine targets only a small number of benefactors (Curry, Schwirian, and Woldoff 2004). Instead, civic leaders supporting a local growth agenda might argue that the city’s economic security and growth (though chiefly benefiting an urban growth regime) trickle down to all citizens, thereby benefitting the entire community. In general, the voting public tends to support developmental policies designed to generate positive economic benefits (as opposed to allocational or redistributive policies; Peterson 1981). As a result of this preference, city leaders normally back professional sports and stadiums ‘as instruments of economic development and affirmations of the importance of their city or metropolitan area’ (Danielson 1997, 15).

Indeed, the promise of growth was an important part of the Franklin County policymakers’ rationalization for the PANA Plan. Based on testimony appearing in the local press, the city and county officials who approved the financing plan were cognizant of the fact that some citizens would be opposed to the stadium subsidy (e.g., Caruso and Bush 2011). For example, during the public comments that preceded the city council vote, an Ohio State law student argued, ‘There’s two problems with this deal. The first is democracy, and second is this is a bad deal’ (as quoted in Pioterek 2011, para. 3).<sup>3</sup> This concern was echoed by a resident of



Columbus's East Side: 'What we're talking about is small 'd' in democracy. The people should be able to vote on this' (as quoted in Trimble 2011a, para. 11).

If we are to consider a representative democracy, direct citizen votes are not wholly contradictory to the philosophies of representative governance (Cronin 1989). Both the tools of direct democracy and the representative system are complementary. However, critics might ask how to differentiate issues requiring voter consent from issues better decided by elected officials. Opinions about the reach of government vary greatly across political philosophies. Still, even among advocates of small-government ideologies (such as some forms of classical liberalism or what is more commonly referred to by critics today as 'neoliberalism'; e.g., Coakley 2011; Hall 2006; Newman and Giardina 2011; Silk and Andrews 2012), the government plays a role in society (Spragens 1999).<sup>4</sup> This burgeoning (neo)liberal ethos, by no means unique to Columbus or even the contemporary United States, is grounded on the assumption that government involvement should be isolated to the programs and services that benefit society but are otherwise unprofitable.

As a political strategy, civically paternalistic decisions may be met with opposition from the polity. After all, the policies that best serve the community might not be the most popular (Fox and Shotts 2009). As Danielson noted, however, there have historically been little political consequences for elected officials voting in favour of stadium subsidies: '...Few if any elections for public office have been fought on sports issues' (Danielson 1997, 270). At the surface, the lack of political consequences suggests voters support public stadium subsidies, or at least the policymakers who provide the subsidies. But some previous research on stadium referendums and urban growth coalitions portray community members as unaware of the stadium issue or shut out of the democratic process (Brown and Paul 2002; Curry, Schwirian, and Woldoff 2004;

Delaney and Eckstein 2003). In either case, an active and engaged citizenry—a fundamental aspect of the American democracy—is not being fully realized (Held 2006).

### **Civic paternalism as public policy in Columbus**

Although Franklin County residents were not afforded the opportunity to vote for the PANA Plan, the elected and appointed officials involved in the development and institution of the Nationwide Arena deal publicly postulated concern for the public good when arriving at their decision. The PANA Plan, policymakers argued, was necessary in order to save thousands of jobs and to continue downtown Columbus’s economic growth, both of which would directly or indirectly benefit residents: county commissioner John O’Grady expressed his support of ‘deals that are about job creation and retention’ (as quoted in Caruso 2011a, 1A), while city council president Andrew Ginther argued a proposed ballot issue designed to terminate the plan ‘would threaten 10,000 jobs’ (as quoted in Sullivan 2014a, 1B).

Based on scientific polling of registered voters conducted in Franklin County during the arena financing debate, it appears that voters might have endorsed the plan at the ballots. As shown in Table 2, a majority of survey respondents expressed some degree of support for the use of casino-generated revenues to purchase Nationwide Arena.

[Table 2 near here]

Considering the hypothetical nature of the items responded to by the survey respondents, it is impractical to predict with certainty the outcome of a PANA Plan vote. Regardless, in the mind of the civically paternalistic leader, such information may be superfluous (e.g., Kellison & Mondello, 2014). These policymakers subscribed to a trustee form of representation, in which elected officials have ‘an electoral incentive to use [their] expertise and pursue policies that [they believe] promote the general welfare’ (Fox and Shotts 2009, 1225). On the other hand, delegate-

minded elected officials are politically motivated to govern in ways that match the public will, regardless of their personal expertise. Though civic paternalism is more closely aligned with trustee representation, civic paternalism is unique because the electoral consequences of a civically paternalistic decision are supposedly ignored by policymakers, whereas trustees promote their policies because they are electorally incentivized to do so (Bengtsson and Wass 2010; Fox and Shotts 2009).

Policymakers acknowledged that regardless of the specifics of the PANA Plan, some voters would always demand that casino revenues be directed toward other city priorities like schools, infrastructure, and civil services. In light of these concerns, policymakers noted that investing in an economic engine like Nationwide Arena would generate new income to be used for other programs and projects (Caruso and Bush 2011). Such a rationale is emblematic of civic paternalism: while aware of opposing viewpoints and the potential political consequences of an unpopular decision, civically paternalistic leaders nevertheless utilize their own expertise to govern in ways they believe best serve the collective. In this case, that meant securing the Arena District's long-term viability.

### **Discussion**

There is little evidence to suggest the stadium-financing plan in Columbus negatively influenced citizens' attitudes toward democracy and voting. Given the large number of no-vote subsidies that have been awarded throughout North America in the past decade, however, it is likely that at least some cases involve public-financing decisions that would not have been supported in a public vote. With respect to such cases, there are several possible means to reincorporate the public will into political policymaking.

First, citizen- or policymaker-led initiatives may be proposed to require that a public vote be held in any instance a stadium subsidy is proposed, or to prohibit public-stadium financing altogether. Such legislation is plausible at all levels of government. Locally, citizens might canvas and petition to amend a city ordinance. At the state and federal levels, legislators could propose constitutional amendments to ban tax-exempt bonds for stadiums. Although previous attempts to pass legislation have failed to gain traction at the federal level, local citizen-led initiatives may be more successful. In response to the PANA Plan, in late 2013, a grassroots organization known as the Columbus Coalition for Responsive Government initiated an amendment that would block public payments to Nationwide Arena beginning in 2016. This amendment, which would be subject to a public vote, would effectively repeal the PANA Plan. However, their petition was rejected by the Franklin County Board of Elections because it contained ‘misleading language that might have swayed people who signed them’ (Sullivan 2014b, 1A).

Perhaps the most effective strategy for reducing the likelihood of nondemocratic policymaking is for citizens to engage in retroactive voting (Fox and Shotts 2009). In retroactive voting, citizens consider an incumbent’s record in office rather than the politician’s future platform when deciding whether to re-elect. Although retroactive voting has rarely been employed in past cases of unpopular stadium subsidies (e.g., Carr 2009; Danielson 1997), the recent recall of Miami mayor Carlos Alvarez illustrates its potential utility (Haggman and Brannigan 2011). As part of a well-financed campaign against Alvarez, a minute-long video reminded voters that Alvarez allocated \$370 million in public subsidies toward Marlins Ballpark without holding a public vote (‘Reason #3’ 2011). Miami-Dade County voters overwhelmingly supported the removal of Alvarez (88.1% of voters favoured the recall) in the largest municipal

recall in U.S. history (Haggman and Brannigan 2011; Miami-Dade County Elections Department 2011). More recently, a runoff election between Cobb County, Georgia, Commission chairperson Tim Lee and challenger Mike Boyce was called ‘a delayed stadium referendum’ based on Lee’s support of a \$376-million no-vote subsidy for a new Atlanta Braves ballpark (Klepal 2016). The new stadium, set to open in suburban Cobb in 2017, will replace Turner Field, the Braves’ downtown stadium that first opened for baseball in 1997. Lee has been criticized for the lack of public input and transparency surrounding the plan (Kimes 2015), and exit polling from the Republican primary election indicated the ‘stadium issue was indeed the primary issue that decided four out of five ballots’ (Klepal 2016, B1, B4).

Returning to the Columbus PANA Plan, there remains little reason to suspect that voters would have rejected a plan to purchase Nationwide Arena using tax revenues generated from the local casino. In fact, several pieces of evidence suggest the opposite is true. First, a majority of poll respondents viewed the financing plan favourably (see Table 2). Additionally, there did not appear to be any adverse retroactive voting in the elections that immediately followed the passing of the PANA Plan. Since the arena-financing vote, all three Franklin County commissioners retained their seats: in 2012, John O’Grady ran unopposed and Paula Brooks won with 64% of the vote, while in 2014, Marilyn Brown ran unopposed (Franklin County Board of Elections 2012). Five of the seven city councilmembers from the PANA Plan remained in office, while one was elected to the Ohio House of Representatives and another resigned to take a position in the private sector (Sullivan 2014c).

Assuming voters in Franklin County would have passed the PANA Plan, did the policymakers’ no-vote subsidy save everyone the time and resources associated with deliberating over a seemingly uncontested issue? There are a number of ways to answer this question, none of

which provide a fully satisfying response. As we have noted previously, some would argue the outcome (i.e., PANA Plan) was less important than the process (i.e., public vote), and therefore, a public vote was necessary in order to maintain an actively engaged and represented citizenry. Others might argue that of the indicators of PANA Plan support described in the previous paragraph, only one was known at the time the issue was voted on by policymakers. Still others might suggest, following a neoclassical (or neoliberal) line of thinking, that in any case of public investment in a project that will result in profit for private entities, public approval (expressed in a vote) should be required.

### **Conclusion**

Public discourse on public-stadium financing in the US has been relatively static since the issue first surfaced in the 1950s. A professional sports team may or may not produce tangible and intangible benefits for a city, owners may or may not be able to afford a state-of-the-art stadium of their own, and the citizenry—including consumers and non-consumers of sport—may or may not suffer without a sports team. Given that exit is always possible in the professional team sport market, it should not be surprising that in local contexts these discussions continue to stimulate speculation of teams exiting a city. Historically speaking, these debates typically culminate in a vote by citizens, who have the final say over whether public-tax dollars are awarded to a stadium project (Kellison and Mondello 2014). However, as highlighted throughout this article, the decision to allocate public financing is almost never made directly by citizens anymore, but rather, a handful of elected policymakers. Some have argued that as it is, the no-vote subsidy might not be that highly problematic; after all, voters elect leaders to make decisions on their behalf.

But, what happens if the public will is not reflected by policies and legislation? Furthermore, how is the public will even assessed? What happens if a policy is proposed to extend public benefits to private enterprise? Even more generally, does the exclusion of the public in the decision-making process counter the spirit of democracy? If not, how do citizens engage in the democratic process (cf. Porter and Sam 2013; Sam and Scherer 2010; Scherer and Sam 2010)? Finally, when it comes to controversial decisions, how do policymakers defend their actions? This paper represents an initial effort to address these questions.

Policymakers in Columbus, Ohio, acknowledged the possibility that their decision to purchase the city's downtown multipurpose arena with casino-generated revenues could contradict the public will. This admission was reconciled by a belief in a form of democratic representation known as civic paternalism, in which policymakers rely on their own expertise and judgment rather than the perceived public preference. Here, the disjunction between public discourse (i.e., citizen opposition to the financing plan) and policymaker practice (i.e., passing the financing plan) is facilitated by civic paternalism. That is, gaps exist between the story being told—a story whose authority the language of civic paternalism serves to protect—and the reality of the no-vote subsidy.

By limiting individual involvement in the decision-making process, the no-vote subsidy is inconsistent with the argument that a democracy should consist of an active and engaged citizenry (Greaves 2004). But as a tool of public policymaking, the no-vote subsidy is not an unlawful form of governance. In this article, we have portrayed the no-vote subsidy as a potentially serious issue that had failed to garner the attention of the academy. Future efforts to study the sociopolitical implications of civic paternalism and the no-vote subsidy should come from many directions and rely on a variety of methodologies. Such diverse approaches are

necessary if the controversies surrounding public-stadium finance and the American democracy are to be studied in earnest.



## References

- Arace, M. 2011. "Jackets' Lease is Worth Helping." *Columbus Dispatch*, August 7.
- Baade, R. A., and R. F. Dye. 1988. "Sports Stadiums and Area Development: A Critical Review." *Economic Development Quarterly* 2 (3): 265–275.  
doi:10.1177/089124248800200306
- Bélanger, A. 2000. "Sport Venues and the Spectacularization of Urban Spaces in North America: The Case of the Molson Centre in Montreal." *International Review for the Sociology of Sport* 35 (3): 378–397. doi:10.1177/101269000035003009
- Bell, J. 2012. "Nationwide Arena Getting New Scoreboard as Part of \$5.5M Upgrade." *Columbus Business First*, April 26.
- Bengtsson, Å., and H. Wass. 2010. "Styles of Political Representation: What Do Voters Expect?." *Journal of Elections, Public Opinion and Parties* 20 (1): 55–81.  
doi:10.1080/17457280903450724
- Brown, C., and D. M. Paul. 2002. "The Political Scorecard of Professional Sports Facility Referendums in the United States, 1984–2000." *Journal of Sport & Social Issues* 26 (3): 248–267. doi:10.1177/0193723502263003
- Buser, S. A. 2009. *Report on the Blue Jackets*. Columbus, OH: Columbus Chamber of Commerce.
- Carr, P. J. 2009. "The Politics of Stadium Financing: The Price of Mayoral Support." Paper presented at the annual meeting for the Midwest Political Science Association, Chicago, IL, April 2–5.
- Caruso, D. 2011a. "Saving the Blue Jackets." *Columbus Dispatch*, September 15.

- Caruso, D. 2011b. "Council OKs Deal to Buy Nationwide Arena." *Columbus Dispatch*, October 4.
- Caruso, D. 2011c. "Council Hopefuls Disagree on Casino Revenue." *Columbus Dispatch*, October 6.
- Caruso, D. 2011d. "Mayor, Challenger View City Differently." *Columbus Dispatch*, October 21.
- Caruso, D. 2012. "Taxpayers Now Own Nationwide Arena." *Columbus Dispatch*, March 30.
- Caruso, D., and B. Bush. 2011. "Critics Say Bad Deal; Backers Say They're Saving Tax Revenue." *Columbus Dispatch*, September 16.
- Chapin, T. S. 2004. "Sports Facilities as Urban Redevelopment Catalysts: Baltimore's Camden Yards and Cleveland's Gateway." *Journal of the American Planning Association* 70 (2): 193–209. doi:10.1080/01944360408976370
- City of Columbus. 2011b. "Nationwide Arena Proposal: Finance Subcommittee Summary Report."  
[http://columbus.gov/uploadedfiles%5CCity\\_Council%5CNews%5CReleases%5C2011%5CFinalReport-JohnRosenberger91411.pdf](http://columbus.gov/uploadedfiles%5CCity_Council%5CNews%5CReleases%5C2011%5CFinalReport-JohnRosenberger91411.pdf)
- Coakley, J. 2011. "Ideology Doesn't Just Happen: Sports and Neoliberalism." *Revista da Associação Latinoamericana de Estudios Socioculturales del Deporto* 1 (1): 67–84.
- Columbus Downtown Development Corporation. 2015. "2010 Downtown Columbus Strategic Plan." <http://downtowncolumbus.com/home/moving-forward/plan>
- Cronin, T. E. 1989. *Direct Democracy: The Politics of Initiative, Referendum, and Recall*. Cambridge, MA: Harvard University Press.
- Curry, T. J., K. Schwirian, and R. A. Woldoff. 2004. *High Stakes: Big Time Sports and Downtown Development*. Columbus: Ohio State University Press.

- Dalton, R. J., W. Burklin, and A. Drummond. 2001. "Public Opinion and Direct Democracy." *Journal of Democracy* 12 (4): 443–461.
- Danielson, M. N. 1997. *Home Team: Professional Sports and the American Metropolis*. Princeton, NJ, Princeton University Press.
- Dean, H. 2006. "Activation Policies and the Changing Ethical Foundations of Welfare." Paper presented at the ASPEN/ETUI Conference: Activation Policies in the EU, Brussels, October 20–21.
- Delaney, K. J., and R. Eckstein. 2003. *Public Dollars, Private Stadiums: The Battle Over Building Sports Stadiums*. Rutgers, NJ: Rutgers University Press.
- Dillon, L. 2015. "The Chargers stadium plan would cost taxpayers almost \$1 billion." *Voice of San Diego*, May 20.
- "Down for the Count." 1997. *Columbus Dispatch*, May 7.
- Ebersole, D. 2013. "Democracy in Ohio: Ohio's Fiscal Constitution and the Unconstitutional Nationwide Arena Deal." *Hastings Constitutional Law Quarterly* 40 (2): 319–391.
- Eisinger, P. 2000. "The Politics of Bread and Circuses: Building the City for the Visitor Class." *Urban Affairs Review* 35 (3): 316–333. doi:10.1177/107808740003500302
- Eulau, H., J. C. Wahlke, W. Buchanan, and L. C. Ferguson. 1959. "The Role of the Representative: Some Empirical Observations on the Theory of Edmund Burke." *American Political Science Review* 53 (3): 742–756. doi:10.2307/1951941
- Fox, J., and K. W. Shotts. 2009. "Delegates or Trustees? A Theory of Political Accountability." *Journal of Politics* 71 (4): 1225–1237. doi:10.1017/S0022381609990260
- Franklin County Board of Elections. 2012. "Official Result Summary Amended Franklin County Only."

<https://vote.franklincountyohio.gov/assets/elections/2012/general/OfficialResultGroupDetailFranklinCountyOnly.pdf>

- Friedman, M., and D. Andrews. 2011. "The Built Sport Spectacle and the Opacity of Democracy." *International Review for the Sociology of Sport* 46 (2): 181–204.  
doi:10.1177/1012690210387540
- Friedman, M. T., D. L. Andrews, and M. L. Silk. 2004. "Sport and the Façade of Redevelopment in the Postindustrial City." *Sociology of Sport Journal* 21 (2): 119–139.
- Friedman, M. T., and D. S. Mason. 2004. "A Stakeholder Approach to Understanding Economic Development Decision Making: Public Subsidies for Professional Sport Facilities." *Economic Development Quarterly* 18 (3): 236–254. doi:10.1177/0891242404265795
- Futty, J. 1997a. "Council OKs Arena Proposal." *Columbus Dispatch*, June 3.
- Futty, J. 1997b. "Columbus Ices Deal to Join NHL in 2000." *Columbus Dispatch*, June 26.
- Greaves, E. F. 2004. "Municipality and Community in Chile: Building Imagined Civic Communities and Its Impact on the Political." *Politics & Society* 32 (2): 203–230.  
doi:10.1177/0032329204263070
- Greenberg, M. J. 2000. *The Stadium Game*. 2nd ed. Milwaukee: Marquette University Press.
- Haggman, M., and M. Brannigan. 2011. "In Dramatic Revolt, Miami-Dade Voters Fire Mayor Carlos Alvarez Over Pay Hikes, Tax Increases." *Miami Herald*, March 15.
- Hall, C. M. 2006. "Urban Entrepreneurship, Corporate Interests and Sports Mega-events: The Thin Policies of Competitiveness within the Hard Outcomes of Neoliberalism." *Sociological Review* 54 (s2): 59–70. doi:10.1111/j.1467-954X.2006.00653.x
- Held, D. 2006. *Models of Democracy*. 3rd ed. Stanford: Stanford University Press.

- Hirschman, A. O. 1978. "Exit, Voice, and the State." *World Politics*, 31, 90–107.  
doi:10.2307/2009968
- Howard, D. R., and J. L. Crompton. 2013. *Financing Sport*. 3rd ed. Morgantown, WV: FiT.
- Hunn, D. 2015. "Judge Says No Vote Needed on St. Louis Stadium Funding; Peacock Calls on Region to 'Rally.'" *St. Louis Post-Dispatch*, August 3.
- Hunn, D. 2016. "Goodbye, St. Louis Rams; Next Stop, LA." *St. Louis Post-Dispatch*. January 13.
- Hunter, B. 2011. "Blue Jackets' Value to City Goes Beyond Hockey." *Columbus Dispatch*, May 11.
- Hunter, B. 2012. "Protesters Show Jackets Some Tough Love." *Columbus Dispatch*, January 29.
- Jones, C. 2002. "Public Cost for Private Gain? Recent and Proposed 'National' Stadium Developments in the UK, and Commonalities with North America." *Area* 34 (2): 160–170. doi:10.1111/1475-4762.00068
- Kellison, T. B. 2013. "Civic Paternalism in Political Policymaking: The Justification for No-vote Stadium Subsidies and the Public Response." PhD diss., Florida State University.
- Kellison, T. B., and M. J. Mondello. 2014. "Civic Paternalism in Political Policymaking: The Public Justification for No-vote Stadium Subsidies." *Journal of Sport Management* 28 (2): 162–175. doi:10.1123/jsm.2012-0210
- Klepal, D. 2016. 'Cobb Race a Delayed Stadium Referendum.' *Atlanta Journal-Constitution*, May 29.
- Kimes, M. 2015. 'Hushed Money.' *ESPN The Magazine*, December 8.
- Knoblauch, A. 2015. "Oakland Mayor Doesn't Support Using Tax Dollars to Keep Raiders." *Los Angeles Times*, May 26.

- Lax, J. R., and J. H. Phillips. 2011. "The Democratic Deficit in the States." *American Journal of Political Science* 56 (1): 148–166. doi:10.1111/j.1540-5907.2011.00537.x
- Logan, T. 2015. "In St. Louis, Rams Fans Seem Resigned to Losing Football Team." *Los Angeles Times*, January 9.
- Long, J. G. 2005. "Full Count: The Real Cost of Public Funding for Major League Sports Facilities." *Journal of Sports Economics* 6 (2): 119–143. doi:10.1177/1527002504264614
- Miami-Dade County Elections Department. 2011. "Miami-Dade County Special Election Cumulative Results." <http://www.miamidade.gov/elections/results-2011.asp>
- Molotch, H. 1999. "Growth Machine Links: Up, Down, and Across." In *The Urban Growth Machine: Critical Perspectives, Two Years Later*, edited by A. E. G. Jonas and D. Wilson, 247–265. Albany, NY: SUNY Press.
- Newman, J. I., and M. D. Giardina. 2011. *Sport, Spectacle, and NASCAR Nation: Consumption and the Cultural Politics of Neoliberalism*. New York: Palgrave Macmillan.
- Peterson, P. E. 1981. *City Limits*. Chicago: University of Chicago Press.
- Pioterek, G. 2011. "City Council Approves Plan to Keep Hockey in Columbus." *NBC 24*, October 4. <http://www.nbc24.com/news/story.aspx?id=670505>
- Porter, D. R. and M. P. Sam. 2013. "Playing the Shell Game: The Faustian Bargain for Dunedin's Stadium." *Sport in Society: Cultures, Commerce, Media, Politics* 16 (7): 931–942. doi:10.1080/17430437.2013.791160
- Portzline, A. 2011. "Blue Jackets Lose \$25 Million, NHL Source Says." *Columbus Dispatch*, May 11.
- Ravo, N. 1998. "Giuliani Vetoes Council's Plan for a Referendum on a New Baseball Stadium." *New York Times*, July 25.

- “Reason #3 - \$2.4 Billion to Fund Baseball Stadium.” 2011. YouTube video, 0:53, posted by “recallmayoralvarez,” February 25. <https://youtu.be/SXIOAWjXzrM>
- Reed, T. 2011. “Blue Jackets Notebook: Team Buoyed Despite Low Attendance.” *Columbus Dispatch*, March 19.
- Rosenthal, A. 1998). *The Decline of Representative Democracy: Process, Participation, and Power in State Legislatures*. Washington, D.C.: Congressional Quarterly Inc.
- Rosentraub, M. S., D. Swindell, M. Przyblyski, and D. R. Mullins. 1994. “Sport and Downtown Development Strategy: If You Build It, Will Jobs Come?.” *Journal of Urban Affairs* 16 (3): 221–239. doi:10.1111/j.1467-9906.1994.tb00327.x
- Sam, M. P. and J. Scherer. 2010. “Fitting a Square Stadium into a Round Hole: A Case of Deliberation and Procrastination Politics.” *Sport in Society: Cultures, Commerce, Media, Politics* 13 (10): 1458–1468. doi:10.1080/17430437.2010.520936
- Scherer, J. and M. P. Sam. 2008. “Public Consultation and Stadium Developments: Coercion and the Polarization of Debate.” *Sociology of Sport Journal* 25 (4): 443–461.
- Scherer, J. and M. P. Sam. 2010. “Policing the Cyber Agenda: New Media Technologies and Recycled Claims in a Local Stadium Debate.” *Sport in Society: Cultures, Commerce, Media, Politics* 13 (10): 1469–1485. doi:10.1080/17430437.2010.520937
- Showley, R., and L. Weisberg. 2016. “Chargers Stadium: Retractable Roof, Sky Garden. *San Diego Union-Tribune*, April 21.
- Siegfried, J. J., and A. Zimbalist. 2000. “The Economics of Sports Facilities and Their Communities.” *Journal of Economic Perspectives* 14 (2): 95–114.  
doi:10.1257/jep.14.3.95

- Silk, M. L., and D. L. Andrews, eds. 2012. *Sport and Neoliberalism: Politics, Consumption and Culture*. Philadelphia, Temple University Press.
- Smith, A. (1776) 1904. *An Inquiry Into the Nature and Causes of the Wealth of Nations*, Edited by Edwin Cannan. London: Methuen.
- Smith, J. M., and A. G. Ingham. 2003. "On the Waterfront: Retrospectives on the Relationship Between Sport and Communities." *Sociology of Sport Journal* 20 (3): 252–274.
- Spirou, C. 2010. "Cultural Policy and the Dynamics of Stadium Development." *Sport in Society: Cultures, Commerce, Media, Politics* 13 (10): 1423–1437.  
doi:10.1080/17430437.2010.520934
- Sport and Urban Policy Initiative. 2016. "Publictrack." <http://stadiatrack.com/supi>
- Spragens, Jr., T. A. 1999. *Civic Liberalism: Reflections on Our Democratic Ideals*. Lanham, MD: Rowman & Littlefield.
- Sullivan, L. 2014a. "Nationwide Arena Purchase – Council Acts to Keep Issue Off Ballot." *Columbus Dispatch*, January 7.
- Sullivan, L. 2014b. "Elections – 2 Petition Proposals Kept Off May Ballot." *Columbus Dispatch*, February 4.
- Sullivan, L. 2014c. "Council Member Miller to Resign." *Columbus Dispatch*, August 30.
- Thornley, A. 2002. "Urban Regeneration and Sports Stadia." *European Planning Studies* 10 (7): 813–818. doi:10.1080/096543102200001322 0
- Trimble, M. 2011a. "Columbus City Council Approves Nationwide Arena Purchase." *WOSU*, October 3. <http://delta.wosu.org/site/news/2011/10/03/columbus-city-council-approves-nationwide-arena-purchase/>



- Trimble M. 2011b. "Franklin County Commissioners Approve Arena Deal." *WOSU*, December 20. <http://wosu.org/2012/news-archive/2011/12/20/franklin-county-commissioners-approve-arena-deal/>
- Tussel, D. 2011. "Fans Give Arena Deal Two Thumbs Up." *Columbus Dispatch*, September 15.
- Velotta, R. N. "Panel Won't Finalize Las Vegas Stadium Financing, But It Could Come Close." *Las Vegas Review-Journal*, June 22.
- Whitson, D., and D. Macintosh. 1996. "The Global Circus: International Sport, Tourism, and the Marketing of Cities." *Journal of Sport & Social Issues* 20 (3): 278–295.  
doi:10.1177/019372396020003004
- Wright, S. 1999. "Arena, Stadium Score Without Tax." *Columbus Dispatch*, May 7.

Table 1: Summary of Previous Arena Financing Issues in Franklin County

Year	Issue	Approve		Reject	
		N	%	N	%
1978	\$29,500,000 in bonds issued; increase in property tax over 20 years estimated to be \$.075 per \$100	33,279	35.0	<b>61,917</b>	<b>65.0</b>
1981	.50% increase in city income tax over one year	27,730	21.4	<b>101,821</b>	<b>78.6</b>
1986	.50% increase in county sales and use tax over 10 years	81,912	46.6	<b>94,051</b>	<b>53.4</b>
1987	.25% increase in county sales and use tax over eight years	94,106	43.8	<b>120,827</b>	<b>56.2</b>
1997	.50% increase in county sales and use tax over three years	109,183	43.8	<b>139,997</b>	<b>56.2</b>

*Note.* Figures and issue information obtained from Franklin County Board of Elections, either through Manager of Election Operations or via <http://vote.franklincountyohio.gov/>. Majority of votes indicated in boldface.

Table 2: Public Support of the PANA Plan

Support of Financing Plan Items	Yes	No	Undecided
I support the use of casino-generated revenues to buy Nationwide Arena.	45.1%	37.2%	17.7%
I was in favour of the use of casino-generated money to buy Nationwide Arena.	37.9%	36.2%	25.9%
Using casino-generated money to buy Nationwide Arena is an idea I can endorse.	44.6%	35.2%	20.2%
Buying Nationwide Arena using casino-generated revenues was a favourable plan.	39.2%	34.7%	26.2%

*Note.*  $N = 401$ . Yes = composite of strongly agree, agree, and agree somewhat. No = composite of strongly disagree, disagree, and disagree somewhat. Undecided = neither agree nor disagree.

---

<sup>1</sup> Columbus is widely considered among market researchers to be made up of an ideal representative demographic and cultural profile—one that serves as a microcosm of the U.S. consumer market more generally. In a recent NPR special on Columbus’s longstanding reputation as a test market, marketing expert Alex Fischer explained: ‘I often say if you raked America together, you’d find Columbus, you have this interesting blend of a funky culture—creativity, diversity—and a corporate culture that really mix it up’.

<sup>2</sup> A labour dispute in 2013 led to the cancelation of the NHL’s midseason exhibition. Columbus was subsequently selected as host of the 2015 All-Star Game.

<sup>3</sup> The student, Dave Ebersole, later published a paper in *Hastings Constitutional Law Quarterly*, where he argued that the PANA Plan was unconstitutional (Ebersole 2013).

<sup>4</sup> Adam Smith identified three duties of government, including defending against other nations and protecting citizens from other members of the society. As quoted below, Smith (1776/1904) also advocated for restricting government involvement to unprofitable services:

The third and last duty of the sovereign or commonwealth is that of erecting and maintaining those public institutions and those public works, which, though they may be in the highest degree advantageous to a great society, are, however, of such a nature, that the profit could never repay the expense to any individual or small number of individuals, and which it therefore cannot be expected that any individual or small number of individuals should erect or maintain. (681)