

# JACKSON COUNTY STADIUM TAX BALLOT INITIATIVE

## WHAT YOU NEED TO KNOW

### Isn't this just a 3/8-cent sales tax extension for 40 years?

Not exactly. The 3/8-cent sales tax on the April ballot isn't really just a 40-year extension. Instead, the plan repeals the current 3/8-cent stadium sales tax that voters approved in 2006. It then authorizes a replacement tax and new borrowing to pay off the remaining debt while starting new building projects for the Chiefs and Royals. Per Dave Helling of the Kansas City Star, payments on those bonds would begin in 2024, with the new 3/8-cent tax extending to 2064.

It's essentially a 33-year extension and \$2 billion or more in new borrowing costs for Jackson County.

Source: <https://www.kansascity.com/opinion/readers-opinion/guest-commentary/article284702926.html>

### The Royals stated that Kauffman Stadium is deteriorating and needs over \$1 billion in renovations. Is this true?

Populous, a stadium architectural firm hired by the Royals, claims that Kauffman Stadium has deterioration of the steel and concrete structures, and that 70% of the stadium needs to be replaced.

However, engineering firm Burns & McDonnell conducted an assessment of both Kauffman Stadium and Arrowhead Stadium in 2022 and found that both stadiums are in "satisfactory condition." Only minor physical deficiencies were observed, such as concrete cracking.

It is important to note that both Stadiums were built at the same time and both went through a renovation 15 years ago.

Source: <https://www.scribd.com/document/701251925/Burns-and-Mac>

### Why does the ballot initiative combine renovations to Arrowhead Stadium with a new Royals Ballpark?

While it would make sense for Jackson County residents to vote for these issues separately, the Royals see the benefit of piggybacking off of the Chiefs increasing popularity and success.

By tying a new Royals ballpark as a condition to funding a future Arrowhead Stadium renovation, proponents of the bill are sending a message to local Chiefs fans that they cannot vote for an Arrowhead renovation unless they also agree to build a new stadium for the Royals.

Considering the significant difference in the two projects and their overall costs, the stadiums issues should be voted on separately by Jackson County residents.

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### **Won't the Royals leave Kansas City if the voters do not pass the initiative to build the Royals a new stadium?**

Not likely. Both the Chiefs and Royals have leases with the Truman Sports Complex which extend into 2031 giving both ownership groups a reasonable amount of time to negotiate a lease extension. MLB has also been recently exploring expansion opportunities, which would reduce the number of viable cities suitable for relocation if two new teams are added before 2031.

It is a common tactic for sports team owners to threaten to move their franchise to another city if demands for a new stadium are not met, but very few teams follow through on those threats. During the 1980's, Jerry Reinsdorf, owner of the Chicago White Sox, famously threatened to move his team to St. Petersburg, Florida, if the city of Chicago did not build his team a new stadium. The strategy worked and Reinsdorf later even admitted that he had no intention of moving his team from the third largest media market in the nation, to one of the smallest. "A savvy negotiator creates leverage." he said, "People had to think we were going to leave Chicago."

### **Can the Royals privately finance building their own stadium in Jackson County?**

CPKC Stadium in Kansas City, Oracle Park in San Francisco, and SoFi Stadium in Los Angeles are all recent examples of privately financed stadiums built without the help of taxpayer dollars. Based on the past success of privately financed stadiums as well as the \$1.2 billion market value of the Royals franchise, the Royals likely have access to resources which would help them privately finance construction of a new stadium.



### **How can I ensure Jackson County avoids spending public funds on a Stadium that the Royals Ownership does not need?**

On April 2<sup>nd</sup>, Jackson County residents will have the opportunity to vote on the ballot initiative. We would encourage you to **vote "NO"** on the initiative to ensure Jackson County doesn't spend taxpayer dollars to build the Royals a Stadium they do not need.

We would also encourage you to join the "Save Kauffman Stadium" Facebook group to stay informed regarding recent news and updates. You can visit the below link or open up your camera app and scan the QR code on the right.

<https://www.facebook.com/groups/205127103956231/>