

No subsidies for Bucks 'mall'

A bill has been signed into law authorizing borrowing of \$203 million for a new Milwaukee Bucks arena. It's a done deal. If that were all that was involved, there would be nothing further to consider. But the Common Council still must vote this month on additional public asset freebies plus \$76 million in borrowing, including interest. Most proposed city subsidies are to support a private, Bucks-owned "entertainment mall" and not the arena itself. In a very confusing manner, city funds and public land will be appropriated for this purpose.

Lobbying by Bucks' boosters for a block-long, multifloor entertainment mall continues to be fierce. Those advocating for more public-asset giveaways are even attacking state Reps. David Bowen and Jonathon Brostoff, Milwaukee Democrats, who tried to include a provision that arena naming rights proceeds be split between the taxpayers and Bucks to help pay for the arena — lessening the public's cost. Instead, the Bucks will collect and keep that money.

We believe that state, county and Wisconsin Center District funding for an arena is unfair to the public, especially in Milwaukee County, but that ship already has sailed. However, the city can prevent further damage. We urge that any subsidies be used only for an arena and not other unneeded add-ons such as another parking garage and mall plazas. That could address Mayor Tom Barrett's stated goal of reducing borrowing by the district, which many believe will diminish convention and tourism prospects for years.

There are many fiscal problems with the city's proposed subsidy package. We offer these suggestions to make the deal more palatable for Milwaukee taxpayers who will pay for the

arena through four different taxing authorities: state, county, city and the Wisconsin Center District:

- Leave standing the lucrative city-owned 4th St. garage — and keep its nearly \$1 million a year in revenue. Do not give the present garage site to the Bucks for a privately owned mall.

- If the 4th Street garage is not torn down, a replacement garage will not need to be built two blocks away — for \$35 million. Even more puzzling, city and Bucks officials are proposing a 50-50 split on all revenue from the needless new garage — after taxpayers pay 100% of the building costs!

- Do not give the Bucks' owners, for free, the vacant one-acre Sydney Hih lot (which the city paid about \$1 million for in 2012) to do with as they please — including eventually selling it for millions. Instead, the city should sell the land for full market price to the Bucks — or a developer with an immediate plan. Money from its sale could be used for community infrastructure such as recreation facilities in Milwaukee neighborhoods.

- Designate that city subsidies support only arena construction. That would achieve the mayor's stated goal of reducing Wisconsin Center District borrowing — now set at \$93 million. City Controller Martin Matson says that number could double, since repayment on that debt will be deferred for 12 years. WCD's arena debt is scheduled to be repaid over decades through a one-half-percent food-and-beverage tax in Milwaukee County — and other hospitality levies. These WCD taxes are rarely discussed but we pay them every time we eat out.

- Do not fund untold millions in infrastructure for privately controlled plazas in and around the proposed mall. The legislation stipulates that these plazas

can be used to produce revenue exclusively for the Bucks and its affiliates. It does not allow for participation of other vendors at events on the plaza.

An arena makes possible community entertainment not otherwise available. Having a successful NBA team boosts civic pride. An entertainment mall is another story. We urge the Common Council not to spend what the comptroller estimates will total \$76 million in public funding to help build an unneeded Bucks-owned private mall. There is no sound economic reason to subsidize development of new bars and restaurants. This mall inevitably would drain business from more than 60 pubs and eateries within a half-mile of the arena, especially Old World 3rd and Water streets.

The Common Council can protect taxpayers from any further fleecing. We urge members to reject sweetheart subsidies and not fund an unneeded mall and parking garage. This mall could well become an economic and urban-planning fiasco, just as such packaged entertainment districts have failed in Minneapolis, Memphis, Glendale, Ariz., and other cities. The Common Council can restructure, on more equitable terms, this bad deal.

Now is the time for concerned Milwaukeeans to contact Common Council members. Public hearings will be held in Room 301-B of City Hall, 200 E. Wells St., at 9 a.m. on Sept. 15 before the Zoning, Neighborhoods and Development Committee and at 9 a.m. on Sept. 16 before the Finance and Personnel Committee.

This commentary was signed by Milwaukee residents Shad Budda, Chris Christie, Larry Deutsch, Dan Folkman, Pat Goldstein, Dolores Knophelmacher, Susie Krause, Mary Laan, Kathy Loveland, Steve Morse and Hannu Taylor.