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How do you judge the value of pro football?

By Andrew Wagaman, special to the St. Louis Beacon

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Twenty-five years ago, St. Louis lost a professional football team because it refused to invest in a stadium.

The baseball Cardinals and football Cardinals, or Big Red, shared the old Busch Stadium. Two years earlier Bill Bidwill, owner of Big Red, gave the city an ultimatum: Build me a 70,000-seat domed stadium, or I'll take the team to a city that will.

The city's decision to not build Bidwill a stadium was fiscally sound. In January 1987, California Institute of Technology economist James Quirk wrote a feasibility report on two domed stadiums – one in Maryland Heights and one downtown. He found both proposals to be economically impractical.

However, Quirk concluded, "It is next to impossible to find measures of the intangible benefits that a city can experience from a successful sports team, but just because they aren't easily measurable doesn't mean they are not there."

Later that year, St. Louis civic leaders decided the financial problems related to building a stadium outweighed the less definable benefits of having a professional football team.

The thing about intangibles: sometimes they're not understood until they're missed.

Like a phantom limb, the absence of pro football was sorely felt. Soon, the city decided to build the stadium it refused Bidwill. Then, when its bid for an expansion team failed, the city told negotiators to do whatever it took to get the dome an NFL tenant.

The Los Angeles Rams got just about everything on their "wish list," including a contract provision saying they could opt out of the 30-year lease every 10 years if aspects of the dome did not remain "first-tier."

Today, St. Louis must either upgrade that stadium – the Edward Jones Dome – or risk losing the Rams.

Once again, keeping pro football in St. Louis would require a huge investment. The opening $700 million proposal from owner Stan Kroenke and the Rams includes tearing down the eastern half of the Dome to build a new glass side extending across Broadway and a field-long, sliding-panel roof.

Funding the renovation will be difficult given that the area and the state are still paying off the original dome construction debt. Every year, Missouri spends $12 million to pay off the 30-year note, and St. Louis and St. Louis County both pay $6 million annually.

For 30 years Chuck Korr taught sports history at the University of Missouri-St. Louis. On syllabus day he warned his students to forget the idea that everyone is in sports for the love of the game.

"If that ever existed, it disappeared a long time ago," Korr would say.

He thinks it is important to keep a clear head as the city continues negotiations with the team he calls "Stan Kroenke's Rams Who Happen to Play in St. Louis."

"This is not a romantic enterprise," he says. "The NFL was never established to make people feel good. It makes people feel good because that's a good way to make profit.

"The Rams came to St. Louis for one reason only, and that was to make a lot of money."

Korr didn't dedicate his life's work to something he holds a grudge against. He likes sports. But one has to admit that by funding the dome, the city is subsidizing the Rams. The way to begin measuring the team's civic value, he says, is in relation to other subsidized entities that add to the city's quality of life — museums, the Zoo, the symphony, etc.

Keep in mind that none of these is a profit-making enterprise. NFL franchises, for the most part, are.

This works both ways. NFL teams share revenue with each other, and some of that revenue ends up in the hands of NFL cities. Other cities would gladly take the Rams off St. Louis' hands. And franchise owners naturally take advantage of the leverage they have.

If romanticism muddles the debate, so does strict economics. No one, experts included, seems to agree on the fiscal benefits of having a football team.

Some say the big money paid to athletes and sports executives will be spent in the city. Others argue that few athletes and executives actually live in this area.

Then there's the idea that sports franchises increase visitor spending. People who wouldn't normally spend their money downtown do so because of the football team.

Plus, given the national exposure from television broadcasts, some argue actual benefits may exceed the economic projections associated with "new visitor spending" that flows into a region.

"The NFL has the ability to transform the image of a city simply by garnering greater visibility and exposure for the city," says Patrick Rishe, sports business analyst and associate professor of economics at Webster University.

However, others say that were there not a football game to go to, people would spend their money on something else.

This leads to the most controversial economic test of all: the multiplier. This holds that the dollars spent on a stadium keep turning over in the city. Basically, the new jobs created in the area lead to more spending in the area, which leads to even more jobs, which leads to even more spending, and so on.

In the quarter century since he wrote the St. Louis feasibility report, Quirk has fought to debunk this premise.

In the case of a football team, he questions how stable these jobs are, and therefore the entire economic impact, when only 10 home games are played a year. He also points out an opposite negative multiplier stemming from increased taxes used to fund a stadium.

"In almost all cases, the amount of money generated by a stadium for a city … is equivalent to that of a small mall," Quirk says.

As one city after another builds (or rebuilds) the latest and greatest stadium despite the less-than-stellar economy, Quirk feels ignored.

“I’m out of my mind that no one listens to anybody who knows what the actual costs and benefits of these things are,” he says.

But Quirk said it himself 25 years ago: the economics are only part of the picture.

So, how much should the city bend to meet the football team’s demands this time?

Rishe says a decision should be based on “strictly marginal benefits versus marginal costs." If the city believes that any public expenditure toward refurbishments will exceed the corresponding benefits generated, and if the city believes alternative, substituted attractions could bring as many or more benefits, the city should let the team walk.

“With that decision will come both some embarrassment for losing a team twice (and) the finality that St. Louis may never see another team again,” Rishe says.

Big Red legend Dan Dierdorf has been on both sides, having served as the CVC chairman from 2006-08. Dierdorf looks beyond the studies toward something that eschews a price tag: community pride.

“Just look at what happened in the World Series (in 2011) and what that meant to the community,” he says. “There’s more to that than just occupying hotel rooms and restaurants.

“I don’t know what price you can put on that, but I can tell you that I think it’s a good thing. I think it’s a very valuable thing, and if we lose the Rams, if the Rams were to leave and once again we’re without a franchise … well, I just hate to think of it happening.”

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