PLAY BALL: ASSESSING THE ECONOMIC IMPACT OF SMALL MARKET BASEBALL TEAMS

By

Jeffrey S. Keesler

A THESIS

Submitted to
Michigan State University
in partial fulfillment of the requirements
for the degree of

MASTER OF URBAN AND REGIONAL PLANNING

Urban and Regional Planning

2012

ABSTRACT

PLAY BALL: ASSESSING THE ECONOMIC IMPACT OF SMALL MARKET BASEBALL TEAMS

By

Jeffrey S. Keesler

This study examines the economic impact that the construction of the Lansing Lugnuts baseball stadium (Cooley Law School Stadium) in Lansing, Michigan had on the businesses surrounding the stadium. The Lansing Lugnuts are in the Midwest Baseball League (MBL), a single-A baseball league in the upper Midwest. The goal of this study is to determine whether or not constructing a stadium in a post-industrial city in the Midwest can be a catalyst for seasonal economic growth in the surrounding district. The study will examine privately owned properties in Lansing, MI that directly surround the Lansing Lugnuts baseball stadium, named Cooley Law School Stadium, as well as properties in two other zones within the city of Lansing. This is a mixed-methods study utilizing publicly available GIS parcel data for businesses located directly adjacent to Cooley Law School Stadium, as well the other two business zones. In addition, the study contains the results of a survey of business owners near the stadium.

Dedicated to my beautiful and phenomenal wife, Venessa, without whom all of this would never have been possible.

ACKNOWLEDGEMENTS

First, I would like to acknowledge my wife, Venessa, for her patience, love, and unending support throughout not only this thesis project and my graduate school, but also our marriage of 12 years. I would also like to thank my children, especially my daughter Rose (7 years old), who seemed to be able to tell when I was feeling down about my project and provided support as best she could at all times. Secondly, I would like to thank Dr. Rene Hinojosa for his patient support and encouragement on this thesis project and throughout graduate school. Also, I am very thankful for the support and dedication that Dr. Zenia Kotval provided as well as Dr. Trish Machemer. These individuals were instrumental in my graduate career from the very beginning to the very end, and I am grateful for this involvement and guidance. Last but not least, I would like to thank my parents, Tom and Carolyn Keesler, and my wife's parents, Steve and Peg Rose, for their countless hours of childcare and endless encouragement.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

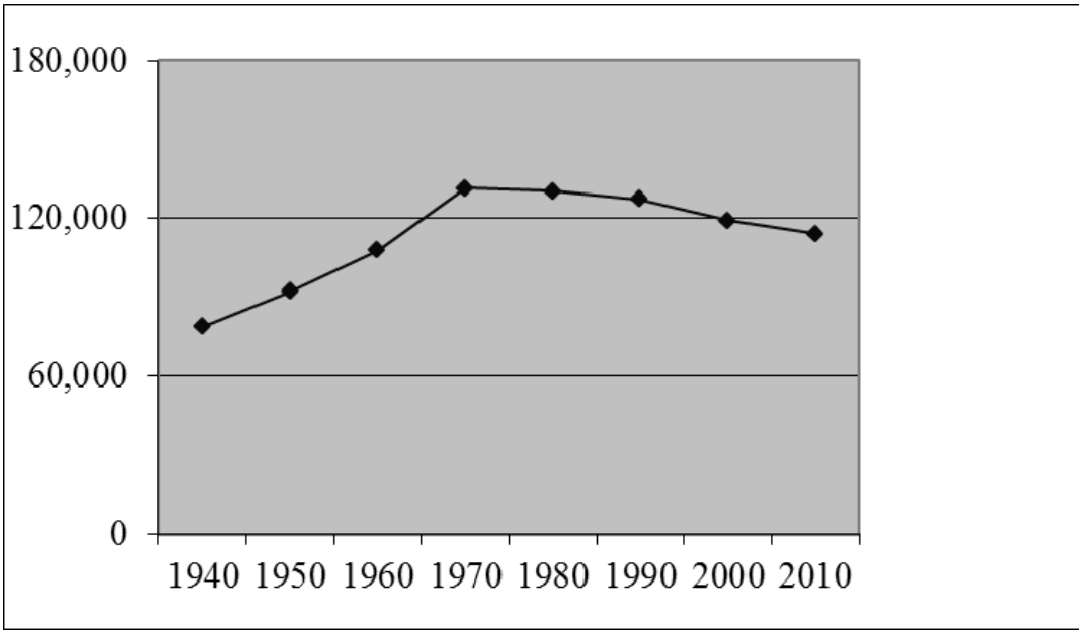
CHAPTER 1: BACKGROUND TO THE PROBLEM AND LITERATURE REVIEW

Many former industrial cities in the northern Midwest have lost considerable population, jobs, and tax revenue since the 1950s. Lansing, Michigan is one such city. Lansing became the capital of Michigan in 1847, but had its largest period of growth during the industrialization of the Midwest in the early 1900s. Lansing was the headquarters for Oldsmobile, a division of General Motors, as well as other auto manufacturing-based companies. Oldsmobile was founded by Ransom E. Olds in Lansing in 1897 (The History Channel). Olds moved his company from Lansing to Detroit in 1900, presumably to be nearer to the auto production hub, but when a fire destroyed his factory, he moved the company back to Lansing in 1902 (The History Channel). From that time, until the last Oldsmobile was built in 2004, Oldsmobile was a main staple of the Lansing economy. Oldsmobile was dissolved as an auto company by its parent company General Motors in April of 2004. It was sad but fitting that it was in Lansing that the last Oldsmobile came off the line. At the time, the 106 year old company was the oldest auto company (Valdes-Dapena, 2004). Currently, Lansing continues to produce vehicles for General Motors, although the workforce numbers have dwindled.

Industrialization helped Lansing's population and infrastructure grow at a rapid pace in the early 1900s from a small village that housed the state capital into a mid-sized industrial city. The so called "Rust Belt" phenomenon where industrial boom towns of the late 1800s and early 1900s became the bust town of the late 1900s and early 2000s can be seen in Lansing. As with other cities in the Midwest (e.g., Detroit, Cleveland, Flint) this trend of rapid population growth due to industrialization would leave many of these same cities with job loss, population loss, a largely vacant city center, increases in crime, and a declining revenue base a few decades later.

US Census data and data gathered from citydata.com show that Lansing's population has declined from a high of 131,546 in 1970 to 113,802 in 2009, representing a population loss of 17, 744 in 40 years, or slightly more than 13% of the 1970 population (US Census). Possibly more telling is that, although the decline has been small and incremental, Lansing has lost population in every US Census since 1970. Figure 1 below illustrates the loss of population during this period.

Figure 1: Lansing Population 1940-2010



In addition to fewer jobs being available in Lansing, suburbanization left the city center with high vacancy rates and few, if any, nighttime activities. The construction of the Meridian Mall (Okemos, MI) and Lansing Mall (Lansing Township, MI) in 1969, pulled businesses out of downtown Lansing and away from the traditional urban shopping district. As a result of job loss and retail vacancy, downtown Lansing started to become a 9a-5p city with few amenities at

night. Individuals might drive into the city for work and venture out for lunch, but they weren't a part of the fabric of downtown Lansing, in any lasting sense.

In this void, many aspiring business owners saw an economic opportunity in the empty storefronts in the late 1970s and 1980s and opened several adult businesses on Michigan Avenue creating a "sin district". Along with the adult book stores and adult businesses came other nefarious activities such as prostitution and illegal drug use and sales. Within blocks of Michigan's capital was an area that was an embarrassment at best and at worst, unsafe. Lansing needed something to revitalize their downtown but had the problem of declining revenues, jobs, and population. To counter the negative direction of downtown Lansing, the city leaders turned to baseball.

Many former industrial cities in the Midwest have begun to actively work to identify engines for economic growth in the vacuum of lost population, jobs, and declining tax revenues. As departing masses left the inner cities for the suburbs and beyond, municipalities were left with the challenge of attracting people, business, and most importantly, money back into the central business district. One approach that has been taken by many cities is the "bread and circuses" theory (Eisinger, 2000). This theory holds that the way to drive economic development in the inner cities is to build venues that are attractive to the suburban surroundings. Baseball stadiums fit this general theory. However, stadiums may also drive economic development in ways other than increasing the number of entertainment-seeking visitors from the surrounding suburbs, such as through increases in the tax base, increased jobs, or other economic benefits.

A review of the academic literature about the economic impact of professional sports stadiums is decidedly negative. Most researchers find that the enormous costs of stadium and

infrastructure construction far outweigh the benefits in job and tax creation. According to Dennis Coates and Brad Humphreys, (2005) "A large body of research has found that sports teams and facilities have little direct impact on personal income, wages, and employment in host cities." Often, professional sports facilities cost hundreds of millions of dollars and employ relatively few people on a seasonal basis. This has led many researchers to conclude that taxpayer-financed stadium projects are not worth the economic burden, in a tangible, calculable sense (Noll and Zimbalist, 1997; Coates and Humphreys, 2005; Baade and Matheson, 2008). These studies did not, however, address the issues related to potential increases in the tax base of the districts in which the stadiums are located.

Other research has focused on large-scale events like the Olympic Games, the Super Bowl, or the Final Four of the NCAA men's basketball tournament (Matheson, 2006). While the cost of the Olympic infrastructure is enormous, it is unclear the extent to which the benefits—both long- and short-term—are worth the cost. One example of this is the Montreal Olympic village. At the time the Olympic games were awarded to Montreal, then-mayor Jean Drapeau boasted that the Montreal games would be the first self-financing Olympic Games through a series of gold coin issues and other revenue generators (CBC News/Montreal, 2006). Despite Drapeau's enthusiasm, Montreal did not fully pay off the cost of the 1976 games until 2006 (CBC News/Montreal, 2006). The total cost of Quebec's debt for the games was $1.6 billion in 1976 dollars (CBC News/Montreal, 2006). As a result, Montreal's Olympic stadium, once nicknamed "the Big O" came to be known to the citizens of Quebec as "the Big Owe" (CBC News/Montreal, 2006). Despite the City of Montreal having to pay the bills for the Montreal games for 30 years after the 1976 Olympics, there were some bright points. The city was able to build a new subway line that extended out from the Centre-Ville (downtown) to the Olympic

village. This infrastructure improvement has been substantial for the city. Also, the former Olympic Village now turned residential development called Habitat has been hugely successful and often requires waiting on a list to live there. (Poynter and MacRury, 2009).

Another example of public expenditure for large-scale events was the summer Olympic Games in Athens in 2004. According to Baade, Baumann, and Matheson (2008), "For the 2004 Summer Games, the government in Athens, Greece, spent $1.5 billion on security alone." Given that it has been less than ten years has elapsed since the Athens Games, it may not be possible to determine the long-term economic impact of the Games. However, in the short term, the current state of the economy in Greece is quite negative, due in no small part to the government debt. In a 2004 report by the Greek embassy, the Economy and Finance Minister for Greece said that while the original cost of 4.5 billion Euros was doubled, the country benefitted in the longer-term from infrastructure improvements (Greek Embassy). Certainly, the Games were not the only contributor to Greece's current debt crisis, but at a cost of nearly 9 billions Euros, it is likely that this had a significant role in the current state of the economy (Greek Embassy).

Although it seems to be the general consensus among researchers that expenditures for events such as the Olympics rarely pay off in any tangible sense, one exception to this rule may be the Winter Games in Salt Lake City. Before accounting for the cost of security, the Salt Lake Games made a profit (Baade, Baumann, Matheson, 2008). This does not even take into account the long-term benefit of improvements to infrastructure and the contribution of durable construction such as stadiums that Salt Lake can continue to leverage for other purposes. Clearly, the Olympics can be beneficial to a city, but it seems to require that the initial outlay be carefully monitored relative the income.

Similar to the mixed evidence regarding the benefit of events like the Olympic Games, baseball stadiums are often assumed by developers and city leaders to be positive sources of economic development. Unlike the Olympic Games, a one-time event, baseball stadiums are in operation in cites from the beginning of April through the end of September every year. Baseball stadiums have stimulated seasonal economic growth in large US cities since the early 1900s (Johnson, 1995). Many Major League Baseball (MLB) stadiums have created entertainment or business districts where souvenir shops, bars and restaurants, parking, and various other retail and entertainment businesses supplement, and benefit from, the economic activity of the stadium (Johnson, 1995). Historically MLB generally located its stadiums in large urban centers where there was a demand for a baseball team and a market that could financially support it (Johnson, 1995).

Cities attempt to capitalize on the 'Bread and circuses' model of using taxpayer funds to construct stadiums that lure teams. Many researchers believe that this model does not work and generally taxpayers don't get revenue benefit (Rosentraub, 2006, Johnson, 2000). However, other researchers believe that if clearly defined, stadium projects can contribute to economic growth (Dye, 1988). In some cases, cities are put in the awkward position of having to ask taxpayers to pay for the cost of constructing a stadium, or risk losing the potential revenue to other areas. The implicit promise to the taxpayers in these situations is that this is going to be a smart investment on the behalf of the community, and that the community will see a return on that investment. As Safir, 1997 notes, "Intense competition between American cities to acquire or retain sports franchises is generating unprecedented levels of municipal and state spending." State and municipal governments in the US devote millions of taxpayer dollars to the creation of

stadiums and entertainment districts, with the goal of stimulating economic growth (Eisinger, 2000).

Several examples of this sort of strategic economic development that uses the baseball stadium as an anchor are Baltimore (Camden Yards), San Francisco (AT&T Park), and Detroit (Comerica Park). Baltimore was one of the first baseball franchises to build a stadium in the new style that incorporated a new baseball stadium in an area of downtown in order to drive downtown revitalization. Camden Yards opened in 1992, and was one of the first modern stadiums built that included crowd-pleasing amenities such as Ferris Wheels, multiple restaurants, and a general "neighborhood" feel. This new development was located near Baltimore's waterfront, known as the Inner Harbor, which has experienced a total redesign and revitalization in the years following the Camden Yards. Shops, restaurants and entertainment venues now blanket an area that was once a working waterfront slipping into post-industrial decline. Another example is AT&T Park in San Francisco. Built in the Mission Bay area of San Francisco, the park is modern and open-air, including solar panels on the roof and access to the ocean, where exuberant fans wait in kayaks to catch home run balls. Prior to a spurt of recent development, Mission Bay was a very post-industrial, underdeveloped, dilapidated area of San Francisco. With the construction of the stadium, as well as with substantial investment from University of California-San Francisco (UCSF) for their medical school, this area now boasts shops, restaurants, student housing, and a transportation line that provides direct access to downtown San Francisco and other parts of the Bay Area. A final example is the close-to-home Comerica Park, home of the Detroit Tigers. The former beloved Tiger Stadium was located on the west side of downtown, in an undesirable area. Comerica Park was built strategically on the site of the former Hudson's Department Store, which had been vacant since 1982 and had

become somewhat of a redevelopment albatross-too large to redevelop. Instead of being a once proud landmark for success for the City of Detroit, the vacant Hudson's building was a visual reminder of economic failure. Additionally, with this move, Comerica Park was now situated very near to downtown Detroit, and was part of a strategy that included restaurants and bars, casino development, Ford Field, the theater district—in short, integrating the Tigers into an entertainment district in Detroit, taking the concept of "bread and circuses" to new heights for Detroit and its surrounding metro areas. Since the construction of Comerica Park and Ford Field, Detroit has hosted the Super Bowl, the men's basketball NCAA Final Four Tournament, and the MLB All-Star Game. These were all huge one-off, mega-events that brought additional revenue into the city to offset some of the high cost of infrastructure improvements.

A more recent trend since the 1990s is the emergence of single-A baseball stadiums in smaller market areas in places like the Midwest, such as cities with 200,000 or fewer people. While the most well-known MLB stadiums tend to be those in the large urban areas, MLB has several divisions of minor leagues which include single-A, double-AA, and triple-AAA, with A being the least developed players and AAA being one step away from the "big leagues." All of these divisions supplement a "farm system" for one MLB team, which is designed to develop young talent which will ideally make it to the major leagues. An MLB organization can be judged by critics not only on how its MLB level team performs, but also on how good its farm system is. A good minor league system usually translates into a good MLB team however this is not always the case. Many young, talented players are traded off in package deals to acquire veteran MLB players, sustain injuries at the minor league level, or simply are never quite good enough when the chance comes to make the big leagues.

MLB teams often sign young players to multi-million dollar contracts, sometimes, right after high school graduation and bring them into the team's farm system. Most often, young players enter at the A or AA level, but if they produce, they are quickly moved up to AAA. At the AAA level if someone produces well, they may either be traded or they might be developed to take someone's place on the MLB team. Derek Jeter is an example of a player who was drafted out of high school by the New York Yankees and played in their minor league system until being called up to play for the Yankees. Since playing for NY, Jeter has been a cornerstone in several World Series championships, as well as receiving countless honors. Jeter has been in the NY Yankee system since he was signed in 1992 (MLB, 2012). Players can move quickly through the farm system and into the pros if they are able to produce, but others can linger in the minor leagues from team to team for many years and hardly ever see the bright lights, lucrative contracts, nice hotels, air travel, and countless other niceties that go along with being an MLB player.

Along with a decrease in talent and salary at each level, the amenities are also less opulent at lower levels of baseball. Instead of taking a private team jet from coast to coast, an A-level player might ride a Greyhound bus for a regional game. Hotels, restaurants, rental cars, even the cities in which the teams play, are less exciting and luxurious at the lower end of the minor league scale. According to CBS Sports, the average salary for an MLB baseball player in 2010 was $3,297,828, with the highest paid player, Alex Rodriquez being paid $33 million per year (CBS Sports, 2012). The NY Yankees combined 2011 team payroll is slightly less than $207 million (ESPN, 2012).

Contrast those shocking numbers with the MiLB, where the Lugnuts play, which has a maximum salary of $1100 per month for the first year and open to negotiation in following years. Each player is also given a $25 per day meal allowance, when on the road (MiLB, 2012). The Midwest League's website suggests that entire franchises in their league are only worth about $3-25 million (MiLB, 2012). While the game being played is exactly the same at all levels, the similarities largely stop there. Major League baseball stadiums in major urban centers are often expensive to build, and stocked with amenities. An example of this is the Detroit Tigers who play in Comerica Park, which opened in 2000 and cost $300 million to build. Inside, the stadium includes a Ferris wheel, a carousel, and a kid's play area. These items of course are for when the children get bored of watching the game that their parents likely spent about $250 to bring them to.

Another, more grandiose example of public expenditure on privately owned stadiums is the New York Yankees and New York Mets. Toward the end of Mayor Giuliani's administration, a deal was made to finance two new baseball stadiums for the Yankees and Mets, at a total cost to taxpayers of nearly $2.3 billion (Dodd, 2009). Mayor Giuliani sighted the need to help the teams build new stadiums to retain them in the New York area. The new Yankee Stadium is 60% larger than the "old Yankee Stadium" and has nearly $10 million worth of baseball merchandise housed within the ballpark Dodd, 2009).

By contrast, MiLB stadiums are much smaller in scale. Generally housing 5,000 fans, as opposed to around 45,000 in most MLB parks, and costing around $25 million to build, MiLB stadiums cater to a smaller crowd, and offer a more "hands-on," approach to baseball. This lower cost of the stadiums and the teams may make MiLB stadiums more successful in

stimulating economic growth, as the entry cost and investment required from the community is much lower, and potentially more easily recovered.

Table 1: Cost of MLB and MiLB Stadium Construction

Team	Year Opened	Cost	Cost in 2011 $$	Ownership
Bush Stadium (St. Louis Cardinals)	1966	$25m	$169m	St. Louis Cardinals
Bush Stadium II (St. Louis Cardinals)	2006	$365m	$398m	St. Louis Cardinals
Riverfront Stadium (Cincinnati Reds)	1970	$45m	$255M	City of Cincinnati
Great American Ball Park (Cincinnati Reds)	2003	$290m	$346m	Hamilton County
Three-Rivers Stadium (Pittsburgh Pirates)	1970	$55m	$311m	City of Pittsburgh
PNC Park (Pittsburgh Pirates)	2001	$216m	$268m	City of Pittsburgh and Alleghany County

Table 1: Cost of MLB and MiLB Stadium Construction (cont'd)

Oriole Park at Camden Yards (Baltimore Orioles)	1992	$110m	$172m	Maryland Stadium Authority
Comerica Park (Detroit Tigers)	2000	$300m	$383m	Detroit-Wayne County Stadium Authority
Yankee Stadium (NY Yankees)	2009	$1.5b		NY Yankees
MiLB Stadium projects:				
Stanley Coveleski Stadium (South Bend Silver Hawks) AZ Diamondbacks affiliate	1987	$11m		City of South Bend
Bowling Green Ball Park (Bowling Green Hot Rods)	2009	$365m		City of Bowling Green

Table 1: Cost of MLB and MiLB Stadium Construction (cont'd)

Fifth Third Field (Dayton Dragons) Cincinnati Reds Affiliate	2000	$22m		Dayton Dragons
Cooley Law Stadium (Lansing Lugnuts) Toronto Blue Jays Affiliate	1996	$12.8m		City of Lansing

*2011 dollars are calculated using the Consumer Price Index:

(http://www.minneapolisfed.org/community_education/teacher/calc/hist1800.cfm)

The cities where MLB located teams had a built-in, seasonal economic engine for the district surrounding the stadium. However, many smaller, northern US cities (pop., <250,000) have not been able to benefit from this type of economic development strategy, because a small market usually meant that a team would be unable to sustain itself financially (Johnson, 1995). There have been a couple of examples in MLB where teams have failed financially and had to relocate, due to having a smaller market (e.g., Washington Senators), or having to share a market (e.g., Brooklyn Dodgers). If smaller market cities wanted to use a baseball stadium as a means to economic development, they usually ended up vying for one of the limited minor league franchises. While MLB may not be a viable economic engine for small and midsized cities,

leagues such as the MiLB may provide an economic opportunity. Arthur Johnson calculated in 1995 over 150 communities with minor league baseball teams, in the US and Canada.

The Lansing Lugnuts: A Hometown Economic Engine

Located in Lansing is the single-A level Lansing Lugnuts. The Lugnuts play at Cooley Law School Stadium (originally Oldsmobile Park). The Lansing Lugnuts joined the Midwest Baseball League (MiLB) in 1996 and constructed a new stadium at a cost of $12.8 million establishing a stadium district.

According to notes from an interview with former mayor David Hollister about the stadium project, the city wanted to renew itself and focused on three areas of redevelopment; "Old Town," Washington Square, and the site where Cooley Law School Stadium now sits. Of all of the areas to focus on, the stadium district was of particular interest to the city, because it contained several adult book stores and "velvet glove" types of businesses, and it was 3-4 blocks from the capital (Hollister, 2011). The area lent itself to being a high crime area known for illegal drug use and sales.

Although Mayor Hollister felt the city government lacked vision when he took office in 1993, he quickly provided his own. Shortly after Mayor Hollister took office the city finished a new Capital Area Transit Authority (CATA) bus terminal downtown. The mayor points to this achievement as a point at which the city started to work together and realized that they could achieve something better. At about his time (1993-1994), Tom Dickson (then owner of a minor-league franchise in Springfield, IL) approached Mayor Hollister with an offer to relocate the team to Lansing. Springfield refused to help build a new stadium for the team and they needed to move (MiLB, 2012). Mayor Hollister agreed to the move with the conditions that the stadium

had to be built in the downtown area, it had to be family friendly, and it had to be multi-purpose, "not just baseball." Tom Dickson agreed to the conditions, and baseball was on its way to Lansing. The City of Lansing used local labor to construct the stadium, local banks to finance the project, and came in on time and on budget.

At the stadium's groundbreaking in September of 1995, Mayor Hollister was quoted as saying:

> This is more than a baseball endeavor, we hope to change the culture of the city. By opening Minor League Baseball two blocks from the Capitol, with most of the games played in the evening and on weekends, when downtown is mostly vacant, we're trying to reverse the downward cycle.
>
> Already property values around the stadium are going up, new restaurants are opening, and businesses are beginning to extend their hours. We've galvanized the community and created a sense of believing in itself again – that it can achieve an extraordinary goal (Lansing Lugnuts).

The first game in the new stadium took place on April 3, 1996 between The University of Michigan and Michigan State University's baseball teams. The Lugnuts opened their first game two days later and by the end of the season they had sold 538,326 tickets, and finished fourth nationally in minor league baseball attendance (Lansing Lugnuts).

Cooley Law Stadium opened in 1996 in an area that, prior to redevelopment, had not reached its full economic potential. Downtown Lansing showed the long, slow effects of suburbanization and post-industrial decline. Like many Midwestern cities its size, Lansing

suffered high business turnover, vacant storefronts, and empty streets after 5p.m. Very few individuals were thinking of downtown Lansing as a destination point for entertainment prior to the Lugnuts locating in Lansing. In fact, in a discussion with a business owner in the area now known as the stadium district, this entrepreneur told the story of coming to work one morning to find a dead body in the entryway to their building. Prior to the building of the stadium, however, this area had been lined with semi-vacant, outdated brick buildings that were not necessarily desirable (Sport Lansing, May/June 2011). What *was* desirable about the property was that it is located in the heart of downtown Lansing, three blocks east of Michigan's state capitol. This area of downtown Lansing where the Lugnuts have their stadium now draws crowds of up to 5, 000 people per game.

The businesses that surround the stadium shared in discussions that they felt the presence of the stadium has helped to generate economic growth for Lansing, and most of them felt that the stadium had increased the value of their business, either by increasing property values or by increasing walk-by traffic and customer awareness. One business owner specifically indicated that the stadium had made downtown more attractive and cleaner overall. Generally, business owners felt that construction of the stadium has made the district safer, more walkable, and better suited to business.

However, in talking with business owners in the stadium district, one of the common problems with estimating the impacts of stadium construction was identified. Although owners were in general very positive about the stadium, they often struggled to quantify that positive impact in measureable terms, such as increases in sales during the baseball months. While many

of the businesses indicated busy months during the summer, they also indicated that they had busy times in the winter as well, when baseball is clearly not in season and the stadium is closed. Therefore, it was difficult for them to point the concrete evidence that the stadium had helped their bottom line, even though they were uniformly positive about the impact. While the lack of dead bodies in the entryway in the morning is certainly an improvement, it's rather difficult to quantify that in terms of economic growth.

Understanding the Impact of the Lugnuts Stadium on Lansing's Economic Development

This study will examine whether or not building a stadium in Lansing, MI, has had a positive economic impact on the surrounding parcels and businesses, as well as discuss whether or not this is a positive redevelopment strategy for cities similar to Lansing. The study examines the district of businesses and properties directly surrounding Cooley Law School stadium to see if the economic development in adjacent areas around MLB stadiums can be scaled down to minor league baseball stadiums. The question that this research attempts to answer is whether or not the economic model that has worked for Major League Baseball stadiums and their surrounding districts, will work to create stadium districts in comparatively smaller markets in the Midwest? By examining the business district surrounding Cooley Law School Stadium this study will determine whether or not seasonal economic growth model that has accompanied MLB baseball stadiums is evident in Lansing.

One challenge that studies of the impact of stadium construction faces is identifying appropriate anticipated outcomes and relevant and available measures of those outcomes. Below is a table that maps some of the possible outcomes:

Table 2: Potential Measures for Assessing Impacts and Outcomes

Anticipated Factor or Outcome of Stadium Construction	Possible Measures
Increased economic growth	Increase in tax base → state equalized value Increased sales in surrounding businesses Increased development in surrounding areas Higher occupancy rates Increased home ownership Higher employment rates
Improved city culture	Higher rates of tourism Stronger sense of community Increased investment from advertisers/marketing Improved perceptions from residents Spinoff cultural events
Improved safety and community health	Increased walkability Lower crime rates Lower obesity rates Greater perception of safety

For this study, I tackle the issue of the appropriate outcome measure. Given the focus on establishing the extent to which the construction of an MiLB baseball stadium may have been a positive economic engine for Lansing, my theory is that when a community invests in something like the Lugnuts stadium, they do so with the understanding that they may be able to recoup the cost of that investment over time. The primary way this will happen is through an increase in the tax base of the city, and in particular, the area surrounding the stadium, which will allow the community to make back the money they invested in the stadium. A tangible measure of tax base is the state equalized value (SEV) of properties in the city. Therefore, for this study, I focus on increases and changes in SEV.

I also address the issue of what *might* have happened to the stadium district if there had been no stadium construction. While it is not possible to reverse time and observe the stadium district under both conditions (stadium and no stadium), it is possible to identify other similar districts in the Lansing area and observe the changes in SEV in those areas as well. The two locations chosen were Old Town and Reo Town. Both are near the downtown of Lansing. Old Town provides an interesting counterpart as a neighborhood that has received substantial city, state and federal investment, but where those investments did not include one major keystone project, like the stadium. Reo Town provides the comparison to the Stadium District of a neighborhood that was ostensibly part of Lansing's redevelopment strategy, but which has not received major investments like a stadium or like some of the developments that have gone into Old Town. It is these comparisons that allow me to understand the unique impact of the stadium construction on the stadium district, and to begin to understand potential alternate outcomes if the stadium had not been constructed.

CHAPTER 2: METHODOLOGICAL APPROACH:

In order to understand the economic impact that Cooley Law School Stadium has on the surrounding business district, this study focuses on the area of the stadium before its construction and after its construction. To accurately describe the area at two different periods in time, I employ a quantitative study that utilizes publicly available GIS data.. The GIS data is at the parcel level for the properties surrounding Cooley Law stadium and includes a very detailed property description. An example of a parcel level GIS information document is available in Appendix D. After compiling GIS data on all of the properties in the business district surrounding the stadium, two other business districts in Lansing were chosen and data was gathered for them, as well. The two other Lansing business districts are referred to as "Old Town, and "Reo Town," named after R.E. Olds, the founder of Oldsmobile. Coincidentally, these two areas were also a part of an overall reinvestment strategy for the city, along with the stadium district.

In addition to the snapshot that the GIS data gives of the area before and after the stadium's construction, this study also used survey data of the business owners.[1] Using multiple types of information helps to triangulate findings, and understand not only economic impact as measured

---

[11] In the original study design, this was intended to be a mixed-method analysis, including both the GIS data and interview data that would be used for the qualitative portion of the study. However, after collecting the data and reflecting on sample size and range of responses, I decided to use the survey results for contextual purposes only and to avoid trying to draw inferences from those results. Some of the methods are still presented to explain how that information was gathered; however the results and study now focus more specifically on the results on change in SEV from the GIS data.

by state equalized value of parcels but also types of economic and other impacts that are less easily detected in the GIS data alone.

Baseball stadiums are generally considered to be a valid engine for economic development. If this is the case, the main type of evidence that will be available in this study is increases in the tax base, as measured by positive changes in SEV, for the parcel surrounding the stadium. This helps quantify the extent to which the community investment in the stadium is likely to be recouped in property taxes, which is a concrete measure of economic growth. In the GIS data, the first hypothesis is that there will be an increase in the state equalized value (SEV) of the parcels immediately surrounding the stadium between pre-stadium construction and post-stadium construction. If this hypothesis is correct, SEV will be higher post-stadium construction, and the rates will also be highest in the stadium district, and lower in the other districts. The second hypothesis in the study is that this increase in value will be greater than increases in value detected in other similar parcels of land in other areas of Lansing. If true, the increases in tax base (as measured by SEV) in the stadium district will be more dramatic than those in other areas. This study involves primary data collection of GIS data. This data collection process involved visiting the Ingham County Tax Assessors Office and hand-entering data on each of the parcels identified for a period of nearly 20 years. After the data were collected, they were analyzed using different techniques to compare pre-and post-stadium construction data. The fact that these are completely new data is an added strength of this study, in that it utilizes innovative and previously unused data to address this question and attempt to empirically establish the potential economic effectiveness of stadium construction.

The remainder of this chapter will describe in greater detail the sample, data, and methods utilized in this study, as well as the results and findings.

Sample

To test the first and second hypotheses, this study examined 26 properties in the Stadium District, 30 properties in Old Town, and 29 on South Washington Avenue as areas of comparison. I selected only profit-generating businesses in each zone, and attempted to collect data on all of the possible parcels in the stadium district and comparable parcels in Old Town and South Washington Ave. Since GIS data are available for each zone and each parcel, these data allowed me to demonstrate any changes that have taken place since the stadium's construction. Again, I chose to focus specifically on SEV as a measure of the increase in the tax base experienced by the various districts.

The parcel surrounding the stadium is the parcel under consideration, and where we would expect the main impact of the stadium to be seen. However, in order to understand if any improvements were related to the stadium or just generally the kind of economic development happening throughout the Lansing area, it was necessary to identify a comparison group of parcels. I chose the Old Town area, as it is a neighborhood that was similar to the Stadium District prior to stadium construction. Both were areas of Lansing that had previously been nice areas, but that had fallen into disrepair. Both have been the target of economic renewal initiatives in the last twenty years, and both target a similar demographic of individuals to live and work there. I also examined South Washington Avenue known as Reo Town, as that area is the main business district of Lansing. Old Town and Reo Town were near or directly part of a redevelopment grant in the early 1990s, which focused on these two areas and what is now

Cooley Law School Stadium. It was important to include these three areas in the study as they were all recipients of an economic stimulus, and if there are significant differences in the stadium district, it might be more strongly tied to the stadium.

To obtain contextual and historical information, I spoke with 12 business owners from the area surrounding the stadium. The reason that I did not interview individuals at all 26 parcels in the stadium district is that some individuals owned multiple properties in zone 1. For example, one individual owns The Exchange, Omar's, Tin Can, and Harem. This allowed me to get the perspective of multiple businesses while speaking to one individual. Other businesses were not retail outlets and didn't really fit the study's focus. The owners represented businesses including bars and restaurants, coffee shops, motorcycle shops, a trade and loan store, auto parts store, a real estate office, a bicycle shop, and the Radisson hotel. I identified these businesses by walking the area immediately surrounding the stadium, taking care to ensure representation from all different types of business in the area. The interview data allowed me to understand any economic benefit of proximity to the stadium from the perspective of each business.

Data

GIS Data

The GIS data used in the study is from the Ingham County tax equalization website found at: http://ingham-equalization.rsgis.msu.edu/viewer.htm. The Ingham County GIS map is an invaluable resource for conducting parcel-level research in the Tri-County area. The GIS map includes ownership information for each property in the county including, taxable, assessed, SEV, land value, as well as information about past sales of the property, and photos of the

property, when available. Data for each property at this level of detail is the framework for this study.

This study chose to focus on the SEV of each property, which the state of Michigan defines as one half of a property's true cash value. A true cash value is established when a property is purchased. As property values in crease, SEV increases, making this an important variable to use to describe the stadium's impact on property values. Higher SEVs indicate that the tax base of the area is also increasing, which in turn means the community is able to recoup greater amounts of their investment. By looking at each parcel before and after stadium construction, it can be determined whether or not building Cooley Stadium has had a positive economic impact.

The study used 1993 SEV in GIS data as a starting point, because it was before construction of the stadium and because it was the closest year which was available. I also selected all of the available years after construction, 1998, 1999, 2008, 2009 and 2010, for all of the zones.

The GIS data from each of the study areas was gathered from the Ingham County Tax and Equalization map found online, for the tax years: 2008, 2009, and 2010(Ingham County, MI). Property information for the tax years 1993, 1998, 1999 had to be gathered from the Lansing City Assessors office on the 3rd floor of Lansing City Hall, due to records not being available online, prior to 2008. The data that were collected from the assessors' office were housed in large volume books with each page representing a parcel. This process involved sitting at a desk in the assessors' office, searching through the volume for the parcel number, and recording the results for each property's SEV for the study years. To eliminate errors in recording the data by hand, I rechecked each parcel year-by-year, before moving onto the next parcel. The staff in the assessors' office was helpful, but the historic data should be added to the current online system,

which houses the parcel data for 2008, 2009, and 2010. In nearly all cases, the parcel numbers in the volumes matched the parcels found online, except several parcels where the stadium is now located. These parcels were combined into one, to make the stadium and no longer existed, after stadium construction.

Interview Data

The qualitative data are the results of an interview of business and land owners at each of the parcels in the stadium area. These data represent a firsthand knowledge of the economic impact that the stadium has on the surrounding businesses. I anticipate that these individuals probably chose to locate their business near the stadium, in anticipation of reaping financial benefits. Although not used to produce generalizable results, I provide a review of how these interview data were gathered below to assist the reader in understanding the genesis of this information.

In order to gather these data, I created an interview protocol (included in Appendix B). This interview protocol is designed to gather information from the business owners regarding the economic impact they perceive the stadium has had on their business. The questions were open-ended, without any specific follow-up probes, and the interviews were unscheduled. Questions addressed the business owners' personal views of the stadium, whether or not they have noticed increased economic activity as a result of the baseball season, and whether or not they have experienced negative impacts. I recorded the answers of the business owners by hand.

Measures

To test the first hypothesis, the main measure used to investigate the economic impact of stadium construction on economic development is the SEV for each year as well as for each

zone. In order to test the second hypothesis, the measure is the change rate of SEV for each year which is calculated by dividing the SEV of the most recent year with the SEV from the previous available year as well as for each zone.

Methods: Quantitative Data Analysis

First, I produced the descriptive analyses of SEV in each year for each zone. This provided the overall means for each of the years, as well as giving an overall mean for all years, by zone.

To address the key question of interest, whether or not the stadium construction had a positive impact on economic development, it is necessary to compare the pre-construction values with the post-construction values, and to determine if they were significantly different and if so, if they were higher or lower. To do this, I used paired t-test to compare the SEV in 1998 to that in 1993 for the stadium zone. I also used paired t-test for all possible years and all zones to identify trends over time and to compare the trends among zones. This allowed me to determine if the value of each parcel's SEV was significantly different from one year to the next. Next, I compared the rate of SEV change for each study area against one another by using an independent samples t-test. This method allows me to not only compare the change of each property, but also helps me to understand if the parcel surrounding the stadium had higher amounts of change than the other parcels, which would be evidence of the impact of the stadium on economic development.

CHAPTER 3: FINDINGS

Analysis of the state equalized value of the parcels surrounding the stadium and elsewhere in the city is summarized in Table 3 and Table 4, in order to compare mean SEV values for parcels over time, as well as compare zone to zone (where Zone 1 is the Stadium District, Zone 2 is Old Town Lansing, and Zone 3 is Washington Avenue in Reo Town).

Examining Trends over Time. To understand how the SEV changed in the Stadium District over time, the mean SEV for a 15 year period is presented in Table 3 below.

Table 3: MEAN Sev in Three Parcels Over 15 Years

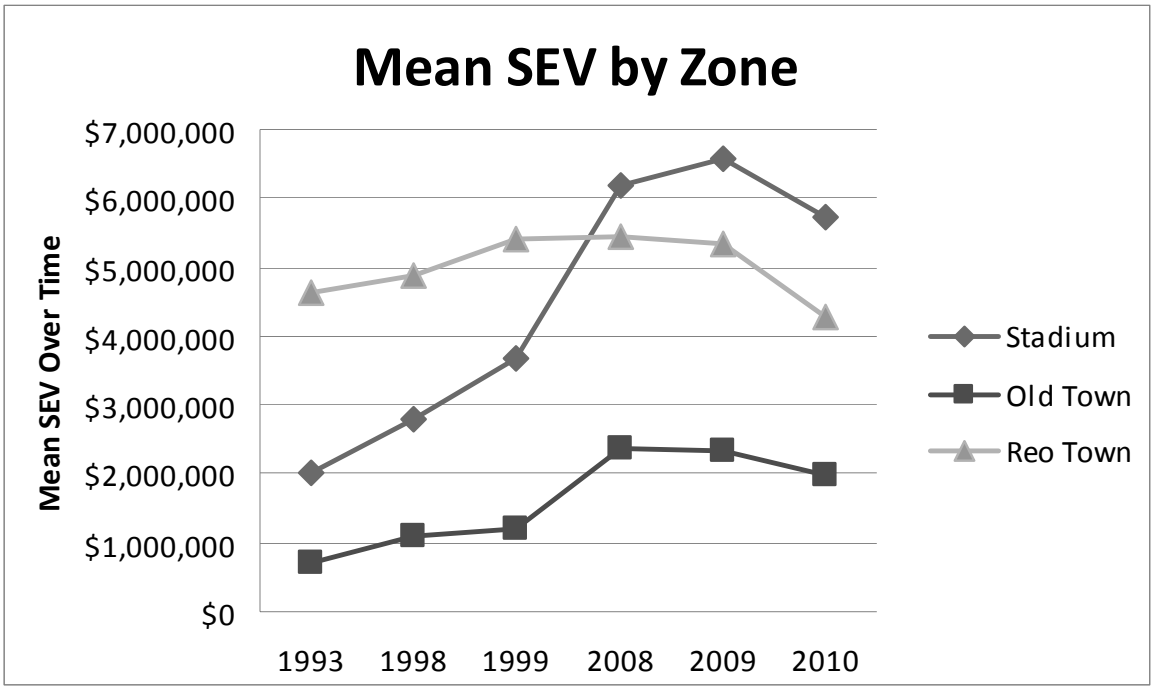
Zone 1					***Zone 2***			
1993	2023175				1993	696800		
1998	2802700	779525	0.3852979		1998	1096500	399700	0.5736223
1999	3675400	872700	0.3113783		1999	1210500	114000	0.1039672
2008	6196300	2520900	0.6858845		2008	2383600	1173100	0.9691037
2009	6576900	380600	0.0614238		2009	2339700	-43900	-0.0184175
2010	5713100	-863800	-0.1313385		2010	1982300	-357400	-0.1527546

Table 3: MEAN Sev in Three Parcels Over 15 Years (cont'd)

Zone 3			
1993	4647878		
1998	4872522	224644	0.0483326
1999	5424461	551939	0.1132758
2008	5460700	36239	0.0066807
2009	5331300	-129400	-0.0236966
2010	4267400	-1063900	-0.1995573

In 1993, which was pre-stadium construction, the mean SEV in the Stadium District (Zone 1) was $2,023,175. In 1998, which is post-stadium construction (constructed in 1995, first season in 1996), the mean SEV was higher, at $2,802,700, which is approximately an $800,000 increase, or 39%. A similar increase was noted for the same time period in Old Town (Zone 2), from $696,800 to $1,096,500, or a 57% increase. However, in the following year (1998-1999), the Stadium District demonstrated another 31% increase in mean SEV, while Old Town only increased mean SEV by 10%. Reo Town (Zone 3) experienced a much more modest increase in SEV, with only a 5% increase between 1998 and 1993, and an 11% increase between 1999 and 1998. Mean SEV by zone is demonstrated in Figure 2 below. These years immediately precede and follow the construction of the stadium, and are therefore good measures of immediate impact of stadium construction.

Figure 2: Mean SEV by Zone

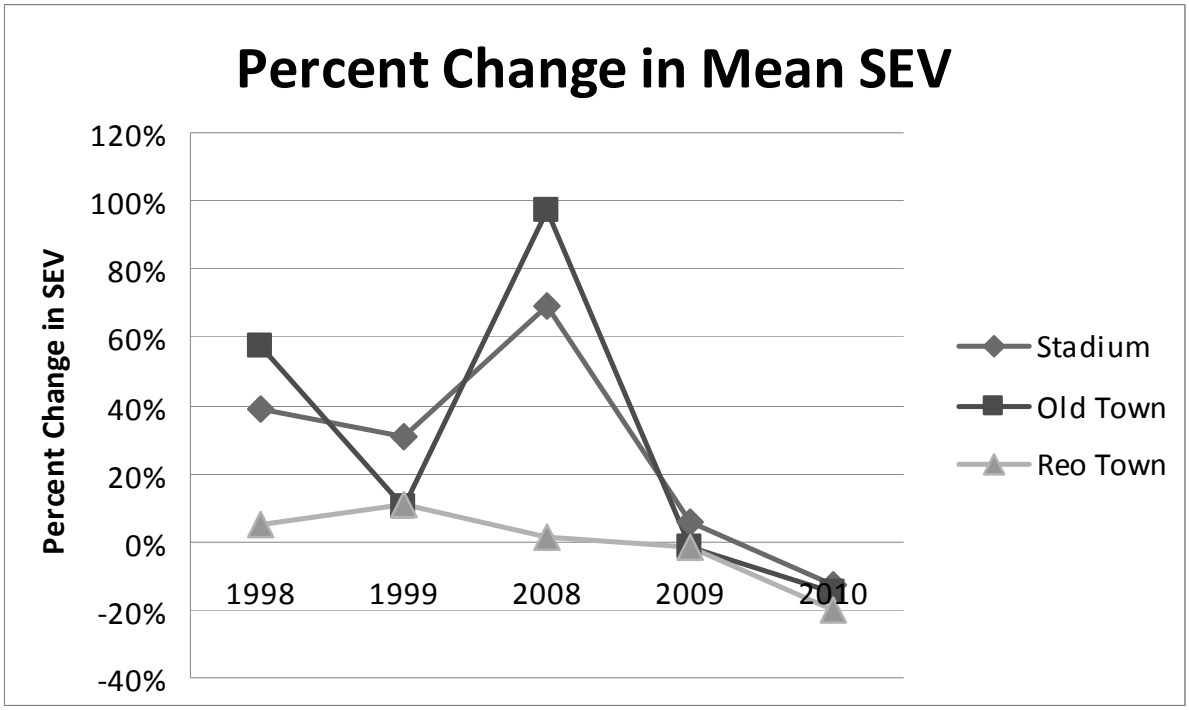


The time period between 1999 and 2008, and then the rapid change experienced between 2008 and 2010 represents longer-term impacts of stadium construction, as well as other economic factors and changes. The Stadium District experienced another large increase in mean SEV between 1999 and 2008 (a 69% increase, from $3,675,400 to $6,196,300). Old Town (Zone 2) also had a very dramatic increase—mean SEV increased by nearly 97%, and rose nearly $1.2 million between 1999 and 2008. However, Reo Town, which was not given the same development focus during this time period, barely increased mean SEV, with mean SEV rising by less than 1% over the time period.

Between 2008 and 2010, however, Lansing (along with the rest of the world), was significantly and importantly impacted by large-scale economic factors, including the housing crisis and the global economic decline. Interestingly, between 2008 and 2009, the Stadium

District was the only zone studied not to experience a decrease in mean SEV, and actually experienced a 6% increase, while both Old Town and Reo Town decreased by approximately 2%. Between 2009 and 2010, as the economic conditions worsened nationwide, all three zones decreased mean SEV; however, the Stadium District had the smallest relative loss (13% decrease in mean SEV), followed by Old Town (decreasing by 15%) and finally Reo Town (decrease of 19%). This change in SEV is demonstrated in Figure 3 below.

Figure 3: Percent Change in Mean SEV



These findings suggest that, while the stadium did not fully immunize the surrounding parcel to the pressures and effects of negative economic conditions, it did appear to mediate the impact and losses to some extent, when compared to the other zones studied. As might be expected, the Reo Town neighborhood—the neighborhood that lacked significant investments—experienced a steady decline in SEV over the years studied. By contrast, the Stadium District and Old Town

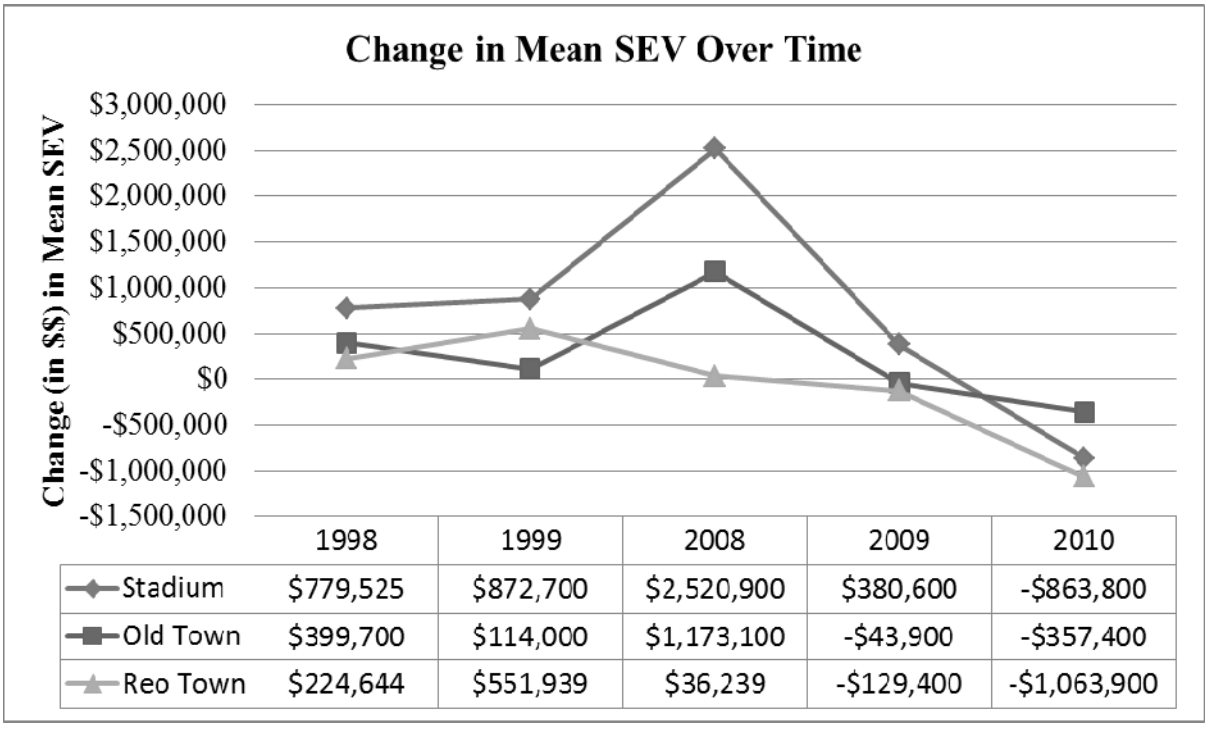
both experienced positive increases and decreases. Old Town's increases and decreases were more volatile than the stadium district. One potential reason for this may be the fact that the Stadium District included more than the stadium alone. The area is transforming into a true entertainment and housing district, including apartments, restaurants, and other services. All of these developments help extend the reach of the stadium construction beyond the benefit of the stadium itself. Stadiums and other related construction projects may be more "recession-proof," as individuals continue to patronize both the stadium and surrounding businesses, even in difficult economic times.

Although not directly studied in this analysis, a review of aerial maps of other MiLB stadiums and findings from other developments suggests the importance of stadiums as part of a larger district. One element of this is the location of stadiums near the downtown. Cooley Law School Stadium was very intentionally located near downtown Lansing. Several other MiLB stadiums, such as the Fort Wayne Tin Caps, are also located near downtown, while others are located on the urban fringe. This impacts the extent to which the stadium can become part of a district that includes housing, entertainment, shopping and business. In Lansing, there is a definite Stadium District, and that district is growing. This may be a critical factor in the success, because all of this related development also increases the tax base and therefore earns the community tangible rewards for constructing a stadium and patronizing a hometown team.

Comparing the Rate of Change over Time Between Zones. Table 4 shows the change in SEV over time within parcels, using a paired samples t-test. This table shows the change in SEV

between 1993, which is pre-stadium data, and 2008, a post-stadium date.[2] In the Stadium District (Zone 1), there was a 255% increase in the mean value of parcels, which was a statistically significant increase (p >= .001). However, we see a larger increase in Old Town (Zone 2), which had the mean SEV increase by 340% (p >=.001). Reo Town (Zone 3) saw the lowest increase, with SEV barely increasing over a 15 year period, and this rate of increase was not statistically significant. A visual demonstration of this change over time is in Figure 4 below.

Figure 4: Change in Mean SEV Over Time



	1998	1999	2008	2009	2010
Stadium	$779,525	$872,700	$2,520,900	$380,600	-$863,800
Old Town	$399,700	$114,000	$1,173,100	-$43,900	-$357,400
Reo Town	$224,644	$551,939	$36,239	-$129,400	-$1,063,900

[2] 1993 was the first year for which complete data were available on the necessary parcels in the Lansing assessor's office. 2008 is a post-stadium construction year, and was chosen because it directly preceded the housing market crash and worldwide economic downturn; data following that year likely reflect factors far beyond the reach of the stadium's influence. Analyses were conducted using the post 2008 data to verify this hypothesis.

This suggests that property values increased in areas of Lansing where there were specific community development efforts. Additionally, both Old Town and the Stadium District received community development block grants from the federal government (Interview with Mayor Hollister). These increases were not mirrored city-wide as Reo Town did not experience an increase in SEV. One note on Old Town, however, is that mean property values were substantially lower to begin; in the table below, note that the mean 1993 SEV for Old Town (Zone 2) was $24,027, while the mean SEV for the Stadium District (Zone 1) was nearly $70,000 higher. The ending property values are also much higher in the Stadium District. While Old Town's increase in mean SEV was statistically greater than the Stadium District's mean SEV, substantively, the increase in the Stadium District arguably represents greater value to the city of Lansing.

Table 4: Change in SEV over time within parcels

Table 4

	1993	2008	Increase rate	t-value	p-value
zone 1	91962.50	235222.73	2.557811361	-3.546563	0.001910
zone 2	24027.59	81931.03	3.409873708	-6.685160	0.000000
zone 3	165995.6429	187589.29	1.1300856	-1.014818	0.319201

CHAPTER 4: DISCUSSION, LIMITATIONS AND CONCLUSION

The purpose of this study was to evaluate the extent to which the construction of the Cooley Law School Stadium and the integration of the Lansing Lugnuts MiLB baseball team into Lansing had a positive economic impact on the area surrounding the stadium. I tested two hypotheses—that state equalized value would be higher in the Stadium District after the construction of the stadium and that the rates of change would be greater for the Stadium District than other areas of town. I also asked neighboring business owners to reflect on the impact of the stadium on their businesses. In general, I found reasonable support for each of these hypotheses. The state equalized value of parcels in the Stadium District was generally higher than that in comparable areas, and the rate of change suggested that the stadium construction had an important impact on this area, and was potentially successful in increasing the property tax base for that district. Additionally, interviews confirmed that the business owners in the district surrounding the stadium generally were positive about the stadium. Although not all business owners directly credited the stadium with their own profits or loss, they were uniformly positive about the impact of the stadium on Lansing as a whole. Despite the fact that they were not able to point to things like increased sale receipts or more employees hired, I was able to detect the increase in SEV, which suggests that some measures, while good indicators of positive economic change, are not necessarily identified by the neighborhood because they are more difficult to observe.

This coincides with the general research on professional sports teams and venues and their economic development. Studies find that there is a positive, sometime intangible, civic pride in having a professional sports franchise and the related stadium in their municipality

(Carlino and Colson, 2004). Also, sports teams and stadiums help form a city's brand identity which helps with economic competition within cities (Carlino and Colson, 2004). This echoes what I found in my interviews, which is that while the business owners can not always point in their books to actual dollars made as a direct result of the Lugnuts stadium being adjacent to their property, they do all agree the stadium makes the neighborhood more lively, cleaner, and a better reflection on the city of Lansing overall. This may be one of the reasons why economic impact of these types of developments can take longer to detect, because the impact is more diffuse at the beginning.

In Lansing, however, it should be noted that there has been a large amount of development in the stadium district, since its construction. Numerous restaurants and bars have had successful businesses catering at least partly to baseball patrons. Bars and restaurants in the area have also seemed to hit a critical mass, where the area is now a district for nightlife, even during months of the year when baseball is not being played. One such business is the Nuthouse, which opened in 1996, the same year that the Lugnuts moved to Lansing. The Nuthouse has become synonymous with the Lugnuts.

While the Nuthouse has the corner on the market for pregame burgers and drinks, Pat Gillespie is one individual who has been largely responsible for the vision of redeveloping the entire area. In 2008, Pat opened the Stadium District apartments, which is a $12 million dollar development directly adjacent to Cooley Law School stadium (Stadium District Apartments). This building includes first floor retail space, office space, and apartments and condominiums on the upper floors. This single building has truly changed the face of downtown Lansing as much as any other, in the author's opinion, and helps make a gateway to the state capital. Prior to

construction of the Stadium District apartments, this parcel was a vacant lot that was primarily only used for parking.

Another development directly to the west of the ballpark is the Lansing City Market, completed in 2010 also by Mr. Gillespie. The Lansing City Market had been located across Cedar St. from the stadium parcel since 1909. Through all of the changes in the city and the neighborhood, the market stayed open in one building. The redevelopment of the Lansing City Market was a heated political issue in the Lansing area in 2008-2009 with many residents wanting to keep the existing structure, due to its historical significance. Eventually, it was decided that the structure would be demolished and would be replaced by a new $1.5 million facility (Hogan, 2012). The new city market facility opened in spring 2010 and has been a success for Lansing.

In addition to the two completed projects by Mr. Gillespie, the Accident Fund Insurance company bough the vacant Lansing Board of Water and Light Ottawa St. power station and renovated the building for its headquarters. The Ottawa St. power station was built in 1939 and was decommissioned by the City of Lansing in 1992 (The Christman Company). Since that time, the building has been the source of redevelopment discussions, but had remained vacant since 2001. In April 2011, the $182 million dollar renovation of the 332,000 sq. ft. building was completed by the Christman Company.

According to the company website, the completed office can house up to 1,200 employees (The Christman Company). Within the past year the building has won numerous green design and historic preservation awards. The Ottawa St. power station project is within the study area to the west of the Lansing City Market and across the Grand River from the baseball

stadium. While it is difficult to determine the degree to which the Ottawa St. power station project was based on its proximity to the stadium, it does show that large-scale capital investment in this area continues.

Mr. Gillespie had also planned a development directly north of the baseball stadium that was to be called Ballpark North. This project was planned to cost around $25 million and would have been a mixed-use project with office, commercial, and residential spaces overlooking Cooley Law School stadium's outfield (City of Lansing). This project seems to be on hold for the moment, likely due to the change in the larger economy, however, if completed it would add significantly to the district. Even without completion of the Ballpark North project, Mr. Gillespie's contributions to the stadium district have been enormous.

The placement of the stadium matters as well. Within this new trend in the MLB, stadiums are located in downtowns (near waterfronts, in densely settled areas), as opposed to in the suburbs where land is cheaper. Two examples of this type of a MiLB stadium construction that follow an older model of locating stadiums in the suburban fringe are the West Michigan Whitecaps (outside of Grand Rapids) and the Great Lakes Loons (in Midland). While both franchises appear to be reasonably successful in terms of fan base and ticket sales, they are not able to stimulate downtown economic development simply because they are not located there. They have likely not witnessed the same larger returns on their investment that Lansing has because they are located in such remote areas.

Conversely, an example of a franchise that has followed the Lansing model is the Fort Wayne Tincaps, in Fort Wayne, Indiana. They are located in the downtown area, and they are in the process of using the stadium to revitalize their downtown. This year, the city has purchased

dilapidated houses surrounding the stadium and is demolishing them, in order to put up nicer residential housing (like the Stadium District housing in Lansing) as well as other types of business (personal correspondence, Austin Allen, 2012). Within the MiLB, there is a divergence in location of stadiums and the extent to which they are standalone developments or anchor developments as part of a larger urban redevelopment scheme. Further studies should compare the impact of stadiums in both contexts.

Limitations

While there are substantial studies on MLB stadiums and other large-events, there do not appear to be many studies that focus on single-A baseball stadiums or other Minor League baseball stadiums. This study provides an important look at one baseball stadium in a post-industrial community, and leverages new data on state equalized value and first-hand interviews. However, a more extensive study should be done that compares stadiums located in downtowns across multiple contexts with each other, as well as with stadiums located in the suburbs. Additional data from more parcels could also be gathered. Finally, more interviews with a greater diversity of respondents could be useful in further leveraging the qualitative impact of these stadiums. Particularly given the fact that some of the benefit may be longer-term or harder to quantify in direct economic terms, a more extensive use of interviews may be warranted in future studies. It may also be important to quantify economic growth using other outcome measures aside from SEV, to see if other types of economic development can be detected.

Conclusions

In conclusion, I feel that the construction of Cooley Law School Stadium in Lansing has made a significant impact on the city in two ways. First, the neighborhood or district level

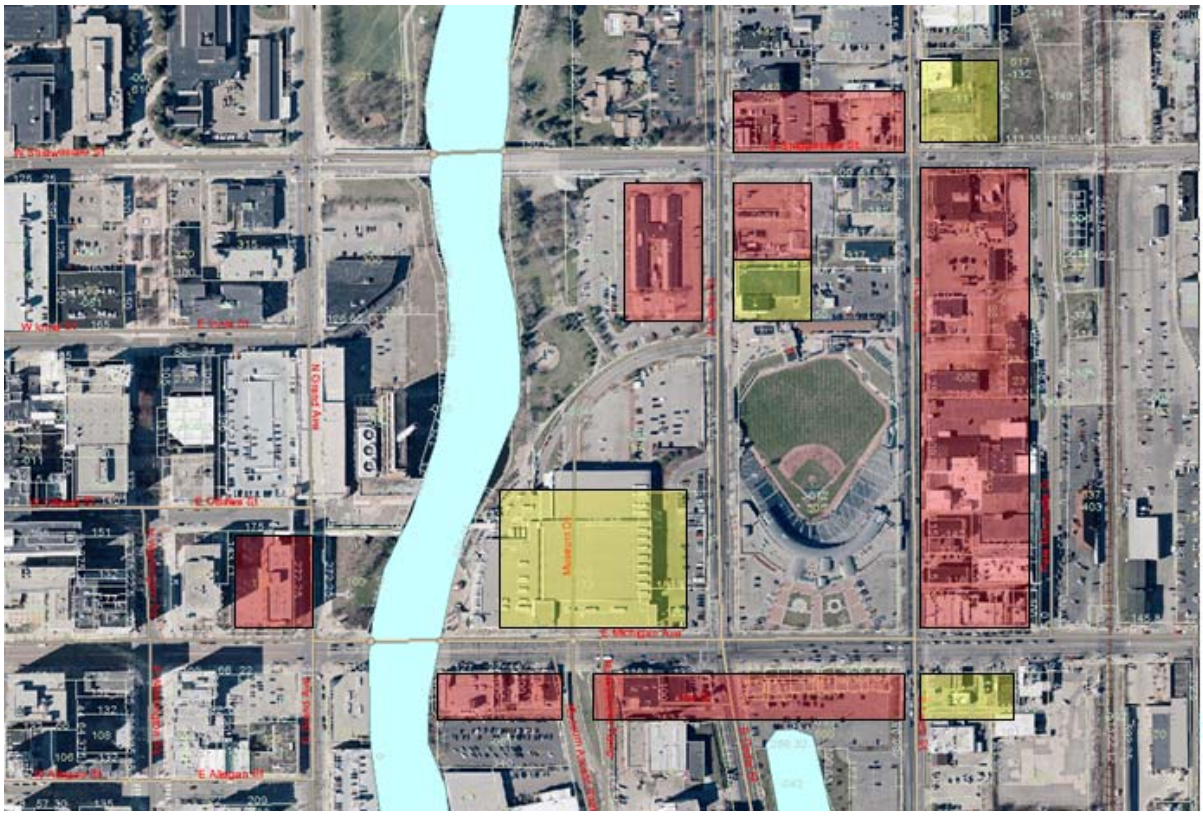
shows that the Lugnut's have help create a sense of nightlife and entertainment that has been lacking from downtown Lansing. The business owners in the surrounding district are unanimous in their praise for what the stadium has done for the district. However, as is clear in the literature as well, the tangible economic benefits are hard to decipher. That is to say, that while business owners credit the stadium for creating a district, they can rarely point to a bottom line in their bank ledgers that says "Lugnut's."

The second way that the stadium has helped the city is in the area of civic pride. Prior to the Lugnut's, Lansing had only had one semi-professional sports team, which was the Lansing Capital's ice hockey team. Similarly to what Carlino and Colson, 2004 found, the Lugnut's have given the city a sense of identity which, in addition to a nightlife district, was also missing from the city. Now, people wear Lugnut's hats and T-shirts and support the team by attending games. This is a neighborhood that is much different than it was in the early 1990s, and the Lugnut's, Mayor Hollister, Pat Gillespie, and countless other individuals can claim some of the credit.

APPENDIX A: MAP OF PARCELS SURVEYED

APPENDIX A: MAP OF PARCELS SURVEYED

FIGURE 5: PARCELS IN STUDY



-Parcels and businesses surveyed in red.

For interpretation of the references to color in this and all other figures, the reader is referred to the electronic version of this thesis.

APPENDIX B: COPY OF THE SURVEY USED FOR QUALITATIVE ANALYSIS

APPENDIX B: BUSINESS SURVEY

Name:

Business:

Address:

1. How long have you been in business at this location?

   If after Lugnuts stadium was in existence, how much did locating the business near the stadium affect your decision to locate here?

2. Why did you choose to locate your business at this location? (convenience, etc)

3. What was the land use in this location before your business? (circle one)

   Empty Different business Similar business Unsure

4. What are your highest sales months throughout the year?

5. Does your business see an increase in sales during the Lansing Lugnuts baseball season?

   If yes, what is the extent of the sales increase? (circle one)

   Slight Moderate Significant

6. What degree do you think the Lugnuts contribute to the increase in sales? (circle one)

   Slight Moderate Significant

7. During the past year, what percent did your business increase, decrease, or stay the same, compared to 2009?

Increase ____ ____%

Decrease_____%

8. In your view, has being located near the Lansing Lugnut's stadium increased the value of your business?

   In what ways?

9. How has the value of your business changed since the construction of the Lugnut's stadium? (circle one)

   Increase No change Decrease

10. Do you offer any game day incentives, such as bring a Lugnuts ticket and receive $ off a purchase?

11. From the perspective of a business owner, are there any challenges or downsides to owning a business in the near vicinity of the stadium?

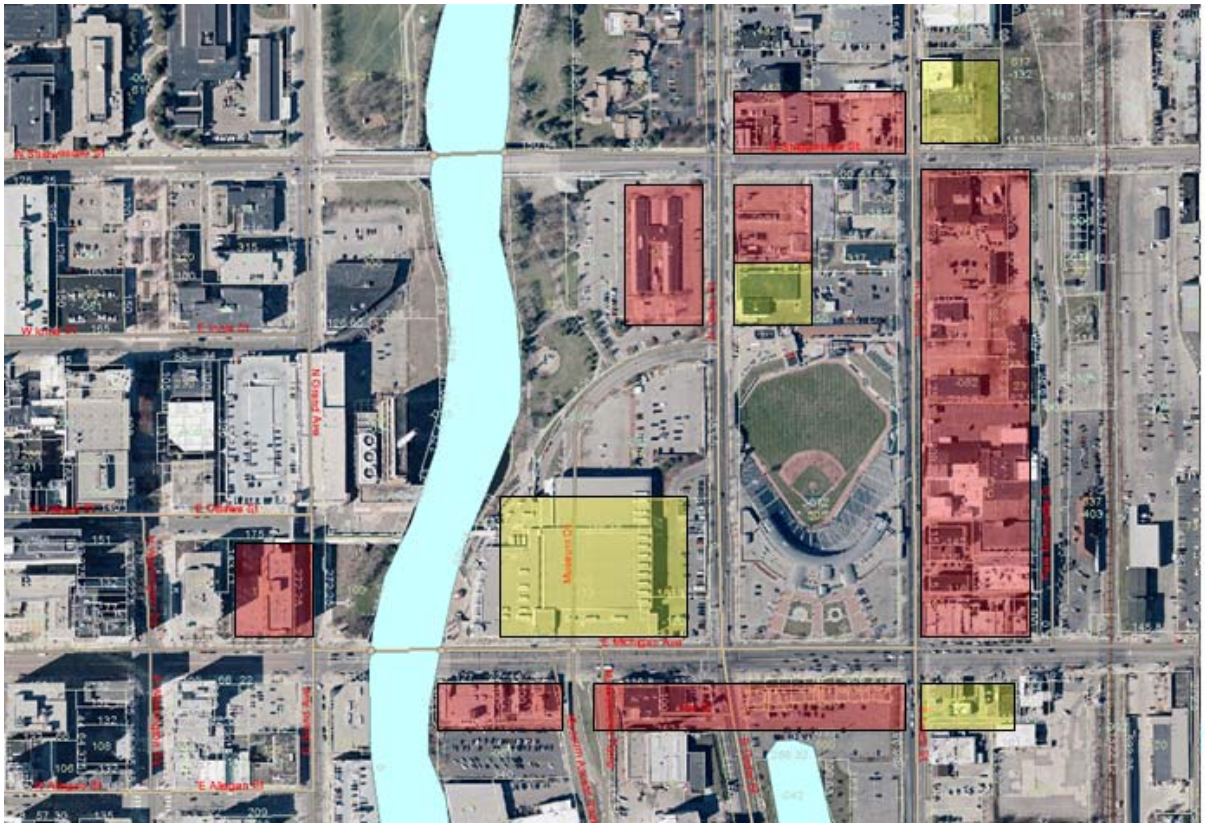
12. In your view, does constructing a baseball stadium in a city like Lansing generate economic growth in the surrounding district? (circle one)

    Yes No

APPENDIX C: MAP OF THE PARCELS USED IN CALCULATING GIS DATA

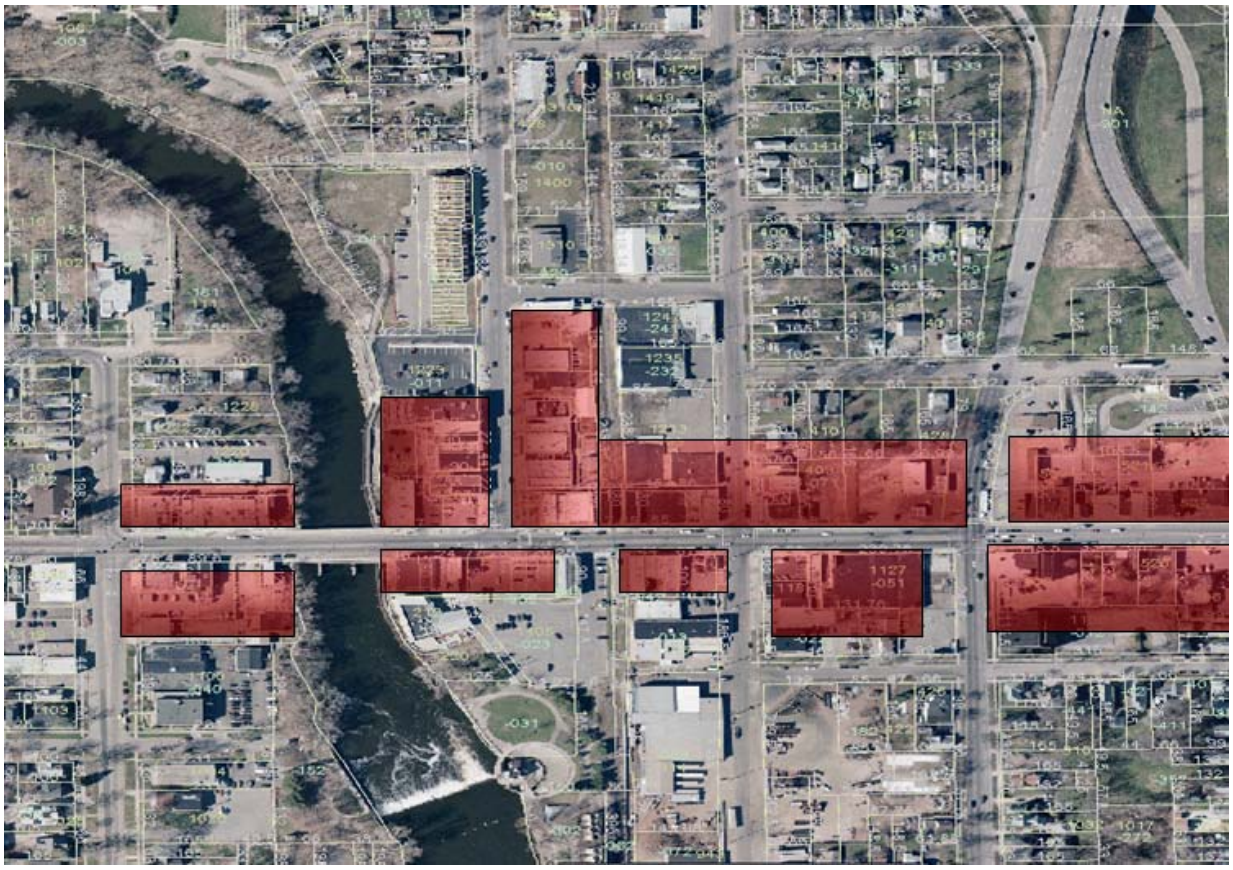
APPENDIX C: PARCEL MAPS

FIGURE 6: PARCEL MAPS



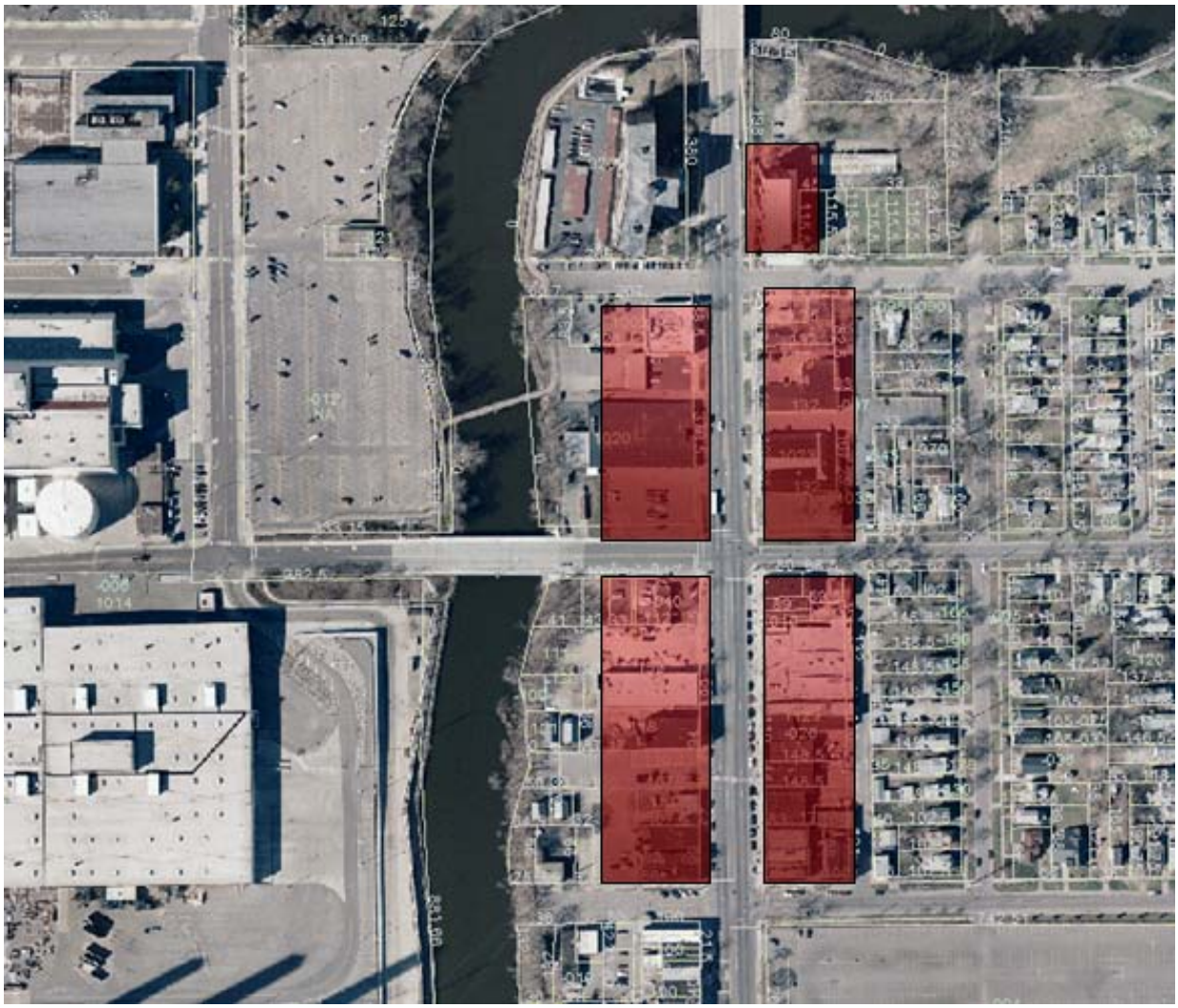
-Zone #1: Michigan Ave, Lansing, "The Stadium District"

Figure 7: Zone 2 Parcels



-Zone #2: Grand River Ave, Lansing, “Old Town”

Figure 8: Zone 3 Parcels



-Zone #3: Washington Ave, Lansing, south of I-496.

BIBLIOGRAPHY

BIBLIOGRAPHY

A&E Television Networks. (1996-2012). This Date in History: Olds Motor Works Founded. *History Channel.com.* (Retrieved, March, 2012). *(*http://www.history.com/this-day-in-history/olds-motor-works-founded).

Athens News Agency. (November, 2004). Cost of Athens 2004 Olympics. *Greek Embassy.* (Retrieved, March, 2012). (http://www.greekembassy.org/Embassy/content/en/Article.aspx?office=3&folder=200&article=14269.

Baade, Robert and Richard Dye. Sports Stadiums and Area Development: A Critical Review. Economic Development Quarterly. August 1988 vol. 2 no. 3 265-275.

Baade, Baumann, Matheson. 2008. Selling the game. Estimating the Economic Impact of Professional Sports through Taxable Sales. Southern Economic Journal, Vol. 74, No. 3 (Jan., 2008), pp. 794-810.

Carlino, G., and N. Coulson. Compensating Differentials and the Social Benefits of the NFL. *Journal of Urban Economics* 56.1 (2004): 25-50. Print.

CBC News/Montreal. Quebec's Big Owe stadium debt is over. December 19, 2006: 5:58 PM ET. (Retrieved, March 2012). (http://www.cbc.ca/news/canada/montreal/story/2006/12/19/qc-olympicstadium.html).

CBS Sports. (2012). *Average MLB Player Salary.* CBS Sports.com. (Retrieved, March, 2012). (http://www.cbssports.com/mlb/salaries/avgsalaries).

CBS Sports. (2012). *Top 25 2012 MLB Salaries.* CBS Sports.com. (Retrieved, March, 2012). (http://www.cbssports.com/mlb/salaries/top50).

The Christman Company. (2012). *Christman Company.* (Retrieved, March, 2012). (http://www.christmanco.com/portfolio.asp?id=262).

The City of Lansing, MI. (2008). Ball Park North. *City of Lansing.* (Retrieved, March, 2012). (http://www.lansingmi.gov/invest/projects/ball_park_north.jsp).

Dodd, Mike. (April, 2009). Baseball's new palaces: Yankee Stadium and Mets' Citi Field. USAToday.com. (Retrieved, March, 2012). (http://www.usatoday.com/sports/baseball/2009-04-02-baseball-palaces_N.htm).

Eisinger, Peter. *The Politics of Bread and Circuses Building the City for the Visitor Class.* Urban Affairs Review. January, 2000. vol. 35 no. 3 316-333.

ESPN.com. (2012). *NY Yankees Salary/Payroll Information-2012.* ESPN.com NY Yankees Team Page. (Retrieved, March, 2012). (http://espn.go.com/mlb/team/salaries/_/name/nyy/new-york-yankees).

Gillespie Group. (2010). *The Stadium District Apartments.* (Retrieved, March, 2012). (http://www.thestadiumdistrict.com/district.aspx).

Hogan, Dave. (April, 2010). New $1.5 Million Lansing City Market Will Celebrate Grand Opening This Saturday. *Capital Gains Media.* (Retrieved, March, 2012). (http://www.capitalgainsmedia.com/devnews/market0415.aspx).

Ingham County, MI. Tax Equalization Map. (Retrieved often 2011-2012). (http://ingham-equalization.rsgis.msu.edu/viewer.htm).

Johnson, Arthur T. *Minor League Baseball and Local Economic Development*. Urbana: University of Illinois, 1995. Print.

Johnson, BK and JC Whitehead. *Value of public goods from sports stadiums: the CVM approach.* Contemporary Economic Policy Volume pages 48–58, January 2000.

Lansing Lugnuts. (http://www.lansinglugnuts.com/TEAM/cover2010.html)

Matheson, Victor A. Mega-Events: The effect of the world's biggest sporting events on local, regional, and national economies. October 2006**.** College of The Holy Cross Department of Economics Faculty Research Series, Paper No. 06-10*

MiLB.com. (2012). *Official Info.* MiLB.com League Page. (Retrieved, March, 2012). (http://www.milb.com/milb/info/index.jsp).

MiLB.com. (2012). *MiLb History*. MiLB.com League Page. (Retrieved, March, 2012). (http://web.minorleaguebaseball.com/about/page.jsp?ymd=20061214&content_id=148638&vkey=about_l118&fext=.jsp&sid=l118).

MLB Advanced Media, L.P. (2012). *Derek Jeter Career Stats.* NY Yankees Team Page. (Retrieved, March, 2012). (http://mlb.mlb.com/team/player.jsp?player_id=116539).

Montgomery Biscuits Baseball. (April, 2004). *How Baseball Returned to Montgomery*. Montgomery Biscuits.com. (Retrieved, March, 2012). (http://www.biscuitsbaseball.com/TEAM/history.html).

Poynter, Gavin and Lain MacRury. Olympic Cities: 2012 and the Remaking of London. Ashgate Publishing Co. Burlington, VT.

Rosentraub, Mark. The Local Context of a Sports Strategy for Economic Development. Economic Development Quarterly August 2006 vol. 20 no. 3 278-291.

Safir, Adam. If You Build It, They Will Come: The Politics of Financing Sports Stadium Construction. Journal of Law & Politics. Fall, 1997 13 J. L. & Politics 937.

The Stadium District Apartments. The Stadium District Web Page. (Retrieved March, 2012). (http://www.thestadiumdistrict.com/home.aspx).

Valdez-Depena, Peter. The last car from America's oldest car company rolls off the line Thursday in Lansing, Mich. CNN Money. April 29, 2004: 11:08 AM EDT. (Retrieved, March 2012). (http://money.cnn.com/2004/04/28/pf/autos/olds_dead/).