



Legislative Briefs

from the Wisconsin
Legislative Reference Bureau

Legislative Brief 00-4

June 2000

RENOVATION OF LAMBEAU FIELD

1999 Wisconsin Act 167, passed by the legislature and signed by Governor Tommy Thompson on May 13, 2000, creates a “professional football stadium district” and authorizes procedures for levying local sales and use taxes and issuing revenue bonds for benefit of the stadium. The act currently applies solely to the renovation of Lambeau Field, home of the Green Bay Packers, and this brief discusses its application to that stadium.

PROFESSIONAL FOOTBALL STADIUM DISTRICT IN BROWN COUNTY

Powers of the District. As applied to Brown County, Act 167 creates a “Professional Football Stadium District”, a local unit of government coterminous with the county, which is granted specific powers relating to the renovation and operation of the stadium. (The district board may change the name of the district, but it must include those four words in its title.) In addition to having the power to acquire, construct, equip, maintain, improve, operate, and manage the stadium and related property, the district may enter into contracts, grant concessions, and employ personnel. It may also promote the stadium, set standards and fees for its use, and establish admission fees for stadium events, but it may not change the name of Lambeau Field without the permission of the City of Green Bay and the Green Bay Packers football team.

The board may dissolve itself and the district after it provides for payment of any bonds it issues. (If the district is dissolved, its assets will be transferred to the political subdivisions within its jurisdiction, in proportions determined by the Department of Administration.)

Composition of the District Board. The district board consists of seven members: three appointed by the Green Bay mayor with the approval of the common council; three appointed by the Brown County county executive with the approval of the county board; and one appointed by the Village of Ashwaubenon president with the approval of the village board. Initial appointments expire July 1, 2004; subsequent terms will be two years. All seven members serve at the pleasure of the appointing authority.

STADIUM FINANCING

Sales and Use Taxes. Act 167 authorizes the district board to levy sales and use taxes of 0.5% within the district. The board may pass a resolution to impose the taxes, dependent on approval by the voters of the district in a referendum at the first primary election that occurs at least 45 days after passage of the resolution. It is expected that the Brown County tax referendum will appear on the September 12, 2000 ballot. The issue will be presented to the voters in the form of two questions:

- 1) Shall a sales tax and a use tax be imposed at the rate of 0.5% in Brown County for purposes related to football stadium facilities in the . . . Professional Football Stadium District?
- 2) Shall excess revenues from the 0.5% sales tax and use tax be permitted to be used for property tax relief purposes in Brown County?

If the taxes are approved, the district may levy them only if the Green Bay Packers and the City of Green Bay reach agreement both on a method to fund stadium maintenance and the distribution of any funds realized from the sale of stadium-naming rights. The district will automatically be dissolved if the referendum is rejected by the voters.

Revenue Bonding. The district is authorized to issue up to \$160 million in revenue bonds no later than December 31, 2004. The bonds do not constitute public debt for the state or local governments within the district, and are not a general obligation liability of the district. They are secured only by: 1) the district's interest in any football stadium facilities, 2) income from those facilities, 3) proceeds from district bonds, and 4) revenue from the sales and use taxes. Before the district may issue bonds, the Packers must: 1) agree to a 30-year lease at the stadium; 2) ask the National Football League (NFL) to approve a policy for refunding seat license fees to season ticketholders who wish to relinquish their seats; 3) agree that, if the team is ever sold, moved, or liquidated, retirement of the bonds will be provided for in the transaction; and 4) give the district exclusive rights to the sale of engraved tiles or bricks to be installed in the vicinity of the football stadium.

Maintenance Fund. The district is required to establish a fund for the costs of maintaining and operating the stadium, derived from four sources of revenue: 1) the district's sale of engraved tiles or bricks; 2) the sale of special Green Bay Packer motor vehicle registration plates by the Wisconsin Department of Transportation; 3) funds provided by taxpayers through the football stadium donation option on income tax returns; and 4) fees or charges for the right to purchase admission to stadium events. Expenditures for maintenance will be made, beginning in 2003 (assuming taxes are first imposed in 2000), and are limited to \$3.4 million in 2003. The portion of the fund used for municipal salaries may not increase more than 3% per year after 2003; funds used for other purposes may not increase more than 2% annually.

OTHER PROVISIONS

Hiring Women and Minorities. The stadium district is required to establish certain goals for the employment of women and minorities. Contractors working on the stadium must attempt to employ 15% minority group members and 5% women in the workforce they hire as a result of the contract. In addition, the district's goal must be that 15% of the aggregate dollar value of all contracts related to renovation or construction of the stadium be awarded to minority businesses, and 5% to businesses owned by women. The district must hire an independent monitor and project coordinator to check compliance, and the state's Legislative Audit Bureau will audit compliance with the minority and women hiring provisions and report its findings to the legislature.

Prevailing Wage and Hours Provisions. Contracts for construction of football stadium facilities must comply with the state's prevailing wage and hour provisions, as currently applied to municipal public works contracts. Successful bidders must pay the area's prevailing wage rate for each occupation, as determined by the Wisconsin Department of Workforce Development.