



## **FC Cincinnati Statement on West End Stadium Discussions with CPS**

**March 14, 2018**

FC Cincinnati wants to thank CPS for considering our proposed partnership for a West End stadium as we believe our proposal offers a special development opportunity for our City, CPS, and the West End community. We are especially excited about the opportunity for students who would benefit from expanded academic, athletic, internship and employment opportunities with FC Cincinnati. FC Cincinnati is also pleased to offer residents of the West End first-priority for jobs and contracts and expanded entrepreneurial and business opportunities. The commitments we are making to the West End neighborhood, which are outlined in the attached Community Benefits Agreement, have been well received and we have gained majority support from residents in the West End. We agree with CPS that West End stakeholders should be included as third-party beneficiaries with legal standing to enforce the CBA.

Major League Soccer's economics are not those of other professional sports leagues which have significant profitability from broadcast revenue. FC Cincinnati is privately investing over \$400 million to bring MLS to Cincinnati. This significant investment includes a \$250 million privately financed stadium. FC Cincinnati's proposal to CPS reflects these economic realities. To confirm these financial limitations, we allowed the CPS treasurer to review FC Cincinnati's financials on Monday.

Our recent property tax proposal was to pay CPS \$3,750,000 over the first 10 years in the new stadium. CPS rejected this investment opportunity. A partnership with CPS is necessary for FC Cincinnati to move forward with a West End stadium. However, as of this morning we have made no formal progress toward forging a partnership with CPS and time is quickly running out. We understand that CPS relies on property taxes to fund its education mission. When comparing our commitment to other development and sports projects, it is clear that we are offering to be generous partners and pay a fair share while generating more and growing revenues to the District.

If we are to proceed in the West End, FC Cincinnati must spend nearly \$1,000,000 beginning at 5:00 pm today on real estate acquisition options for necessary site properties. As such, we have made a final offer to CPS more than doubling our offer from Monday to pay \$750,000 each year over the first 10 years in the new stadium, and to pay a consistent annual amount thereafter. FC Cincinnati strongly believes its proposal to CPS is significantly better than the status quo, which is CPS receiving approximately \$70,000 in annual property tax payments (\$700,000 over 10 years) and a tax-abated, high end CitiRama development on the proposed new Stargel Stadium site. This proposal provides CPS more tax revenue than a stadium site in Oakley or in Newport, KY – which would be zero. The CPS teacher's union leader said Monday that maybe FC Cincinnati cannot afford this development. Beyond this offer, she will be correct – at least as it relates to the West End, but not Newport or Oakley.

If this partnership cannot work, we will be disheartened to share this news with all our supporters in the West End who are excited about the benefits an MLS stadium would bring to the West End neighborhood. Regardless, the silver lining in this effort will be the relationships we have built with visionary friends in the West End and we pledge ongoing support for youth athletics and youth soccer development in this neighborhood.

To all our fans and supporters who are excited by the prospect of an MLS stadium in the West End, we are confident you know that we have tried our best to bring this once in a generation development to the community. FC Cincinnati remains steadfast in its commitment to bring MLS to Greater Cincinnati and drive this process to conclusion.

Attachments:

- Items proposed for a Community Benefits Agreement
- Economic Impact Fact Sheet