

# Librarians Lack LeBron's Pull as Miami Arena Deal Precedes Cuts

By Toluse Olorunnipa Jul 18, 2014 12:01 AM ET

Last month, Miami politicians approved a \$19 million subsidy for the professional basketball arena. Six weeks later, they turned to a grimmer task: deciding how many police and librarians to fire.

To plug a \$64 million budget hole, [Florida's](#) Miami-Dade County Commission this week began considering a plan to cut as many as 700 positions, including a fifth of the library staff and more than 300 police. Mayor Carlos Gimenez released the plan about a month after stadium deals with the Miami Dolphins football team and the [National Basketball Association's](#) Miami Heat, which lost star [LeBron James](#) to [Cleveland](#) last week.

"It's just a horrendous misallocation of resources," said Xavier Suarez, a county commissioner who voted against the measures. "Instead of focusing the attention on the library, we've focused on getting money for sports franchises."

Miami-Dade County is one of several municipalities that have approved sports subsidies while struggling to emerge from the 18-month recession that ended five years ago. From Oakland to [Memphis](#), city and county officials have cut services and underfunded pension plans even as they pursue teams with multimillion-dollar incentives.

While the revenue streams that finance stadium deals are often different than those used for services, the distinction has meant little to residents who believe wealthy team owners have an upper hand in getting taxpayer funds. Heat owner Micky Arison and Dolphins owner Stephen Ross are both billionaires.

## Athletics Ascendant

In [Detroit](#), which filed the largest-ever U.S. municipal bankruptcy a year ago, tax dollars will help finance a new \$450 million hockey stadium for the [Red Wings](#). The city council in February voted to sell 39 parcels near downtown to Mike Ilitch, the billionaire owner, for \$1.

In Jacksonville, Florida, which Moody's Investor's Service downgraded last month citing soaring pension costs, taxpayers helped finance the world's largest video screens at EverBank Field. The \$26.5 million emplacements, longer than the actual field used by the [National Football League's Jacksonville Jaguars](#), will debut July 26.

Memphis, which has underfunded its city-run pension plan since 2009, sold bonds this year to purchase a minor league baseball stadium.

Stadium obligations increasingly encroach on general spending, forcing cuts to social services, said Victor Matheson, a professor and sports economist with the [College of the Holy Cross](#), in Worcester, [Massachusetts](#).

"You can't stop your debt payments without actually declaring bankruptcy," he said. "But you can cut the number of police officers and teachers and librarians and firefighters."

## Tourist Dollars

In Miami, while the hotel taxes that fund stadium subsidies are at record highs, real-estate values haven't fully rebounded from the housing downturn. Sagging property-tax revenue and increasing employee costs have torn a hole in the county's general budget for 2014-2015.

Gimenez, 60, won office in 2011 after former mayor Carlos Alvarez, who supported subsidies for a new Miami Marlins baseball stadium, lost a recall election.

Gimenez, who used his opposition to the Marlins measure as a centerpiece of his campaign, has since become the county's chief negotiator of stadium contracts. In addition to approving subsidies for the Heat and the Dolphins, Gimenez has met with former Manchester United star [David Beckham](#), who plans to build a Major League Soccer arena in Miami.

## Book Backers

The deals have enraged the mayor's critics as he's tried to balance next year's budget. Gimenez, a Republican in a nonpartisan post, said he's "vehemently against" raising taxes.

"We can subsidize the Heat and the Dolphins, but what about the children?" said Deltravis Williams, a U.S. Navy veteran from South Miami who spoke against cuts during a July 15 budget hearing.

Behind him, dozens of people wore blue T-shirts emblazoned with "Save Our Libraries."

John Quick, who helped organize a read-a-thon at County Hall, said library funding and services have shrunk by half since 2009. That left poor children without a place to study and elderly residents without the Internet, he said.

Gimenez said most cuts and firings could be averted if public-employee unions agree to concessions during collective bargaining in the coming months.

"The budget in front of you is the worst-case scenario," Gimenez told county commissioners at the hearing. "That is not the budget that I'll be fighting for."

## Ego Boost

The attention to the stadiums could make it difficult for Gimenez to extract concessions from public employees, who see the subsidies as evidence of unfair treatment.

"He takes pride in personally negotiating these deals," John Rivera, head of the county's police union, said of Gimenez. "He doesn't have the same interest in giving to working people what he's willing to give to billionaires."

The stadium contracts shouldn't be a part of the budget conversation, said Mike Hernandez, the mayor's spokesman.

"These stadium deals are separate and apart from the funds that we actually fund our major operations with," he said.

Hernandez also defended the Heat and Dolphins contracts as more favorable to taxpayers than the Marlins agreement.

Including interest, debt service for the Marlins stadium will total \$2.4 billion through 2049.

The Heat deal will cost the county \$19 million through 2035, and the team is required to renovate AmericanAirlines Arena.

In the Dolphins deal, Ross agreed to upgrade Sun Life stadium without upfront money from the county. Ross would receive county funds only if the stadium attracted a [Super Bowl](#) or other high-profile sports event.

Gimenez has ruled out using county tax dollars for Beckham's soccer stadium.