



**- DRAFT - MINUTES OF LINCOLN PARK ADVISORY COUNCIL January 14, 2009 MEETING**

The session convened at 6:45pm at the Notebaert Museum with President Vickie Matthews, presiding.

**Presentation on the impact of the Olympic Games**

The council presented a forum on the impact of the Olympic Games on the park. The speakers were:

- Gyata Kimmons, Director of Community Relations for the 2016 Committee, and Pat Sandusky, VP of Communications for the 2016 Committee
- Prof. Allen Sanderson, Senior Lecturer, Department of Economics, University of Chicago.

**From the 2016 Committee presenters**

Chicago 2016 is an independent nonprofit agency created to pursue and secure the 2016 Summer Olympic Games for Chicago. Their web site = <http://www.2016chicago.org>. The official Bid Book is due to the International Olympic Committee on Feb. 12. The other cities in contention for the games are Madrid, Rio and Tokyo. In April the IOC will send 13 members to Chicago "to kick the tires." There will be a presentation before the IOC in Switzerland in June and the final decision will be made on October 2. The decision will be made by majority vote of the IOC commissioners.

At the present time the tennis venue is slated for Lincoln Park at Recreation Drive, just south of the Jarvis Bird Sanctuary. The Committee has done a number of studies, in cooperation with the Field Museum, and concluded that there will be no negative impacts on the bird sanctuary. The Triathlon will be staged off of North Avenue Beach. Lincoln Park will also get new tennis courts and the old ones upgraded and improved. Regarding the impact of the games on city operations - although the City Council has pledged \$500 million to the games, "the chance that the games will go over budget is very, very low."

**From Dr. Sanderson**

Regarding the impacts on Lincoln Park, he noted that there are opportunity costs for pursuing the bid, which he estimates will cost \$100 million. That's \$100 million that won't be available for community charity and civic efforts. Also, he challenged the 2016 Committee's economic impact study as "laughable" because it was produced by marketing professors from out of state and was paid for the 2016 committee and used questionable assumptions. Also host cities have lost billions producing the Olympics so what would be the impact of such a deficit on essential city services, including the operation of the Park District?

**Questions from the community**

A number of questions were asked by attendees. The questions regarding Lincoln Park were:

Q: What will be the impact on the Jarvis Bird Sanctuary? No member of the Committee visited the site.

A: The studies done by the Committee show no negative impact from the construction and operation of the 20,000 tennis stadium. They will be happy to share this study with the Council.

Q: What about access to Lincoln Park during construction and operation of the games? What about over crowding?

A: The Committee is working with the Park District to plan the construction in stages for minimal disruption. Also working with the CTA on bus routes to service the venues. The games are supposed to be walking distance for attendees and access via public transit.

Q: Members of the 2016 Committee made a presentation to the Council in January of 2008 and referenced environmental impact studies. They were promised to the Council, may we see them?

A: All information will be on the 2016 web site on February 13.

Q: What impact will games have on rowing lagoon?

A: The games contemplated location for rowing is being shifted to Burnham Harbor.

Q: Will the harbors be disrupted?

A: There will be a loss of some 1,600 boat slips from the southern harbors as boating venues are scheduled to be sited there.

Q: The Committee has met with community representatives from communities where venues and major construction is contemplated. What has been the outreach to Lincoln Park?

A: There is an Community Outreach Advisory Council which addresses community needs, including impacts, procurement, and employment issues. The Committee also works with local elected officials and park advisory councils to get input.

### **Meeting**

The meeting was called to order around 8:15 pm.

### **Agenda Approved**

The agenda was moved and seconded, approved without comment.

### **Report from Park Staff**

Cindy Jahraus (312-742-7726), Lincoln Park Cultural Center Supervisor, gave an activity report. Area Manager Brian Loll (312-742-0378, [brian.loll@chicagoparkdistrict.com](mailto:brian.loll@chicagoparkdistrict.com).) had no formal report. Brian was asked to look into the seeming creation of a new dog-friendly beach area at Belmont Harbor. Also there was concern about garbage overflows. Brian says that there is a \$27 million short fall in the Park District budget. We are likely to see cuts in basic park services this year, such as bathroom maintenance. He was asked if the Council could get some description of the service cuts and how they will play out in Lincoln Park. Regarding the new parking arrangement for the city, Stockton Drive will be metered,

### **Park Liaison Report**

There was no Park District board meeting. Randi Doeker reported on a meeting of the Jackson park Advisory Council, which is facing the construction of a private athletic club. The Jackson park Advisory Council opposes this project and would rather see their field house refurbished. The local alderman supports the private project. Friends of the Parks reports that at the next Park District board meeting they are likely to strike the provision requiring the Park District to adhere to the Consent Decree that requires equal distribution of resources and services throughout the system. The request was made to contact our liaison to Friends of the Parks, Jill Nyland, and get her input and advice.

### **Minutes**

Minutes from the July, September and October meetings were approved as amended. Lynn Krone moved, Terry Ieja seconded, passed unanimously.

### **Treasurer's Report**

The Council's net assets as of September 30 were \$1,553.46. Approved without comment.

### **President's Report**

An updated list of park concessionaires was distributed. There are about a dozen items from the earlier Council meeting on concessions that still need following up/report back. The Council received a letter from Commissioner Chico in response to our request that the next open seat on the Park District board be filled by an expert on parks or the environment.

### **New Business**

It was announced as a reminder that the Nominating Committee will be formed in February to draft a slate of officers that would be presented in April and voted on at the May meeting to produce board members and officers for 2009-2010. We asked if Jill could be contacted to find out what Friends of the Parks position is regarding the proposed code changes at the Park District

Lynn Krone moved, Pat Yeray seconded the following motion:

"The Lincoln Park Advisory Council will support the Friends of the Parks in their position regarding Policy #13 (the Consent Decree)." Passed unanimously.

### **Adjournment**

The meeting concluded at 9:30pm.

Respectfully submitted,

Tom Tresser  
LPAC Board Secretary

**NEXT MEETING: Wednesday, February 11, 6:45pm at the Margate Field House. There will be a presentation about the permit process and a representative from the Environment Department to talk about the results of the artificial turf study.**

## Consider the options Chicago could make a better investment than Olympics 2016

By Allen R Sanderson – Chicago Tribune - April 22, 2008

As reported in the press and media events, an overwhelming majority of Chicagoans – 84 percent – was supportive of the city’s bid to host the 2016 Olympic events. (Given the political season and climate, another way to “spin” the numbers for those opposed is that only 54 percent were strongly supportive; 30 percent were simply “somewhat supportive.”) I suspect that at least 84 percent of those polled were also in favor of world peace, fewer potholes, and the Cubs winning the 2008 World Series. But a more relevant way to elicit information is to face respondents with some prices or notion of the sacrifice required to achieve a stated objective.

For example, what if the pollsters had asked: “How much would you be willing to pay annually in the form of taxes on what you own, earn or spend to bring the 2016 Olympic Games to Chicago?” The survey could have given some prices to choose from: \$0; \$50; \$100, \$500 or \$1,000. Or, alternatively, the pollsters could have asked: “If it costs the city \$1 million to have the 2016 Olympic Games here, are you strongly in favor, somewhat in favor, somewhat opposed, or strongly opposed?” Then we could, either sequentially or by segmenting respondents, up the ante: “What if it costs the city \$100 million? \$1 billion?” Another way to tease out how residents feel would be for pollsters to present some menu options: “If Chicago were going to spend an additional \$1 billion over the next few years on various civic projects, how would you like to see the mayor, City Council and other public agencies allocate that amount of money?” Alternatives could be: (a) The 2016 Olympic Games; (b) Shoring up our roads, bridges and public transportation; (c) Putting more police on the streets and in neighborhoods; (d) Public schools and health care; (e) Efforts to make Chicago a greener, more environmentally responsible city. I would be willing to wager a sizable sum of money on where having a public party in eight years would rank on people’s priority list – and how much they would be voluntarily willing to shell out for it.

Time and time again, commissioned polls or impact studies purport to show one thing when reality is quite another. I have yet to see an economic impact study for building a sports facility or convention center, or hosting a major sporting event, that did not promise cornucopias of cash to the city bold enough to “invest” in the scheme. And yet, virtually all convention centers in this country lose money, and revenues spent inside new sports palaces enrich only the owners and leagues. If the pattern holds, and it likely will, cities that host Olympic events tend to lose money. These short-term, overly hyped events, as opposed to longer term, well-thought-out urban investments, have low or negative rates of return. That may be fine if our eyes as well as our wallets are wide open, knowing full well that this will cost us monetarily but that we still want to do it.

After all, we spend money on dogs and boats with no expectation that they will pay for themselves financially. But, then, let’s at least be upfront and honest about it: “Yeah, it’s going to cost us – and you, the taxpayer – an unknown ton of money and some serious inconveniences, but we think it’s worth it and here’s why.”

Whether to support the Games themselves or merely the city’s official bid, the latter carrying a price tag of \$50 million to \$100 million, one hears that “only private money” is underwriting those activities; no tax dollars will be spent. “Private” implicitly refers to donations from corporations and wealthy citizens. However, in jargon that students learn on the first day of Economics 101, virtually all expenditures or allocations have an opportunity cost, whether it be for a firm or family. If Boeing, Sears, Motorola or McDonald’s gives \$1 million to help finance our Olympic bid, that is \$1 million that does not get returned to stockholders as dividends or plowed back into the company for new projects and production. In addition, that is \$1 million that does not, then, support an exhibition at the Field Museum, a new gallery at the Art Institute, or an after-school youth program.

When I sit down each December to write out checks to local, national and international charities and other non-profit organizations, I am implicitly choosing how to allocate, say, \$2,000 among various groups and activities. The slice that goes to WTTW Ch. 11 doesn’t go to the Chicago Coalition for the Homeless or the American Cancer Society – or to the University of Chicago. It’s still just \$1 million or \$2,000 no matter how a corporation, a wealthy benefactor or I cut it.

There is no free lunch in this world and no free Olympic Games either.

I think it would be lovely for this magnificent city to have its chance to be on the world stage, and what better way to have our coming-out party than serving as host in 2016.

But just as alcohol ads encourage us to “drink responsibly,” let’s apply the same exhortation and expectation in getting ready for it and in our public pronouncements and promises.

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Allen R. Sanderson teaches economics at the University of Chicago and writes frequently on the economics of sports.

## **Chicago 2016 - The Tail Is Already Wagging Our Dog**

By **ALLEN R. SANDERSON** - *Chicago Life* – November 2006 -  
[http://www.chicagolife.net/content/chicago/Chicago\\_2016](http://www.chicagolife.net/content/chicago/Chicago_2016)

With about a year to go before the International Olympic Committee (IOC) selects from among Chicago, Madrid, Rio de Janeiro and Tokyo for the honor of being the host city for the 2016 Olympic Games, there are strong signals that Chicago will prevail—perhaps in a cakewalk—in the October 2, 2009, Copenhagen vote.

Sports betting markets, populated with folks who are wagering with their own money and thus have a personal financial stake in being right (as opposed to those who spout “free” opinions on sports-talk radio or in the press) make Chicago the overwhelming favorite. Complementing that are sentiments from informal cocktail-party exchanges and tea leaves.

Continuity inherent in a Barack Obama victory next month, coupled with the likelihood of Richard M. Daley still being the mayor in eight years, might put risk-averse IOC voters more at ease and trump the natural sympathy for Rio—the games have never been held in South America—and Chicago’s new-kid-on-the-block status among more familiar locales and faces.

In addition, the IOC itself, never one to leave money on the table, can expect to rake in much more from a bidding war among American broadcasters for the 2016 rights if the games are held in the United States. Thus many, though not all, signs are pointing increasingly toward Chicago.

However, there are also ominous signs that the attempt to “stir the soul” (Chicago’s motto or tag-line as a candidate city) will end up stirring wallets, as well. When a teacher’s union and its members want more money or less work, they always couch the appeal as being “for the children.” When ardent environmentalists or their minions in Congress push their pet agendas, it’s, of course, “to save the planet.” Anti-government stances and excessive appeals to patriotism are the counter-parts from the other side of the political aisle.

Already, even before Chicago submits its revised bid in February or welcomes IOC delegates in the spring, City Hall rhetoric, negotiating patterns with special-interest groups and proposed public policy initiatives, from CTA renovations to Buckingham Fountain upgrades, almost invariably now carry the “it’s for the Olympics” justification.

Sensible long-term urban planning, whether it be for the grossly overused feel-good term “infrastructure” or to begin to address some consequences of rising income inequality with the development of affordable housing, should not be based on a two-week party seven years from now. The (re)configuration of the network for rail lines, improvements to parks and roadway and the location of other civic amenities should be largely independent of whether Chicago plays host in 2016 or not.

In terms of dogs and tails, or carts and horses, we should have asked at the outset and must continue to ask as we proceed down these paths, “How would the Olympics fit into our overall game plans?” and not, “How can we modify our plans to accommodate a stadium located here and a swimming pool over there?” For example, absent the Olympics, is the area designated for the athletes’ village (and subsequent conversions) the best long-term use of that prime real estate? Are South Side residents clamoring for a 10,000-seat amphitheater?

One of the least important components of 21st century life in the city is being given far too much weight in the determination of the most important features. The 2016 Games should be an afterthought, not a forethought. Using the deadline of an upcoming dinner party as an excuse to finally clean one’s home is not a sound management strategy. Olympic facilities in Sydney (from the 2000 Olympics) and Athens (the 2004 Summer Games) remain woefully underutilized and constitute significant on-going financial drains for maintenance. Without a permanent tenant, even Beijing’s national stadium, the Bird’s Nest, will follow down that same path shortly. With a little luck, for Chicago, the net cash flow from being the host city could be positive, but also very small in comparison with other public “investments”—in politics, governments invest while private citizens only spend or waste—over the next decade.

The decision to renovate Soldier Field, a hideous, obsolete, dysfunctional facility that with Valium and a little foresight could have served as a permanent location for the opening and closing ceremonies (and track & field events) in 2016, as well as a much better long-term home for the Bears and the venue for future Super Bowls, NCAA Final Four games and other big-ticket events. Cost-overruns that more than doubled the reconstruction outlays for the Dan Ryan Expressway or Millennium Park mean that other state or city improvements had to be postponed or eliminated. This should give us pause and concern. Private contributions to plug deficits are not a no-tax-dollars-were-used escape contingency because they entail the economist’s familiar “opportunity cost” refrain: regardless of the source, money given for X is not available for Y.

Daniel Burnham exhorted us to “make no little plans.” The admonishment not to make huge, unwise ones is equally applicable. In the past half-century, the ex ante promises of most Olympic Games far surpass the ex post reality. May Chicago go for the gold, not the bronze—or tin. - *Allen Sanderson is a Senior Lecturer in the Department of Economics at the University of Chicago*