Nassau Coliseum: Death of an Arena?

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Abstract

This is a case study analyzing and discussing how a former championship-winning professional sports franchise eventually made an economic decision to end a more than 3-decade long relationship with a committed fan base and long-time business partners and eventually move to an adjoining market. The paper outlines the history of the Stanley Cup-winning New York Islanders, its various ownership tenures, the multi-year battle for a new arena, and the surprising decision in 2013 regarding the franchise's future in its new home of Brooklyn, NY. The case study questions what the loss of the team means for its original home market of Long Island, NY, and does the ultimate financial and development arrangement finally struck for a planned renovated Nassau Coliseum portend a movement when it comes to sports facility funding around the country.

Keywords: hockey, franchise, facility, ownership, financing, development, relocation.

1. Introduction

The Nassau Veterans Memorial Coliseum (the "Coliseum") opened on February 11, 1972 (Venue Facts, 2012). The New York Nets (who then became the New Jersey Nets and have been recently reborn as the Brooklyn Nets) played an American Basketball League game that night against the Pittsburgh Condors (Koppett, 1972). The arena was built on the site of Mitchell Field, an Army/Air Force base located in the heart of Nassau County, NY, that was closed in 1960 and acquired by Nassau County in 1961 (Venue Facts, 2012). The 1,200 acre site now houses the arena, Museum Row and professional and amateur athletic facilities. The area on which the arena sits occupies 77 acres of prime space, and has been the subject of much debate regarding utilization purposes since the County acquired the land. The Coliseum was completed at a cost of $32 million (Venue Facts, 2012). This amount today would be $47.6, $70.6 and $104.4 million, using an annual inflation rate of 1, 2 and 3%.

2. Brief History

The New York Islanders are the principal tenants of the Coliseum. They were founded in 1972 and played their first game at the arena in October of that year. They won only 12 games that year, but their hard-working, "scrappy" style of play seemed to resonate with the fans. They made the playoffs in 1975 and won the Stanley Cup, emblematic of the National Hockey League championship, four straight years from 1980 through 1983. The team has seven members inducted in the Hockey Hall of Fame (Blackboard, 2012). Unfortunately, they last won a playoff series in the 1992-1993 season.

The team has gone through several ownership changes over the years, which has resulted in a checkered history, at best, when it came to effective ownership. One ownership group, headed by Howard Milstein and Steven Gluckstern, did not inject capital into the team as promised, and in the opinion of many, exposed their true motive in purchasing the team, i.e. to obtain an opportunity to develop the 77-acre area including and surrounding the Coliseum. They had purchased the franchise in 1998 for $195 million and eventually sold the team in 2000 for $190 million.

The team is currently owned by Charles Wang, founder and former Chief Executive Officer of the software giant CA (formerly Computer Associates, Inc.), who purchased the team from Milstein and Gluckstern (Isleinfo, 2012). Wang's idea was to also purchase and move a National Basketball Association franchise to the Coliseum, a move that would have doubled the number of professional sports playing dates in the arena (41 hockey, 41 basketball). As it turns out, *his* ulterior motive was to form a partnership with Scott Rechler, one of the largest commercial developers on Long Island, and build and privately finance a new arena and develop the Hub area with retail, office and residential units, including a 60-story building. This project was called the Lighthouse Project and would cost approximately $3.7 billion, but would have been totally privately financed (Rizza, 2009) (Isleinfo, 2012). Approval for the project had been continuously delayed by the Hempstead (where the land is located) Town supervisor, Kate Murray, and many of her town board members. Their main concern was the citification of this area of the county and the effect on congestion, traffic, sewer, water and schools (Scheurman, 2010). They proposed reducing the housing units by 80 percent and limiting the tower sizes, already reduced by Wang from one 60 to two 36-story towers, down to nine stories (Scheurman, 2010). This, not surprisingly, was deemed unacceptable by Wang and his partner Rechler, as it would have significantly reduced the projected rate of return on the project investment (Winzelberg, 2011).

3. The Issues

The Islanders franchise is the only permanent tenant of the arena. They play 41 home games, some pre-season games, and since 1993, no playoff games with the exception of last year. A consulting firm, Camoin Associates, was retained by the Nassau County Industrial Development Agency to review the one-time economic impact during the construction period of the Coliseum, including job creation; the ongoing economic impact of spending at the site and visitors to the site, including job creation; and sales and occupancy taxes paid by visitors (Camoin, 2011). Camoin estimated that annually there are 43 hockey events and 82 non-hockey events booked at the Coliseum (Cantor, 2011). That amounts to 125 events per year, or an annual occupancy rate of over 33 percent. In comparison, Barclays Arena, which opened in September 2012, booked more than 200 events in its first year (Heskell, 2012). Madison Square Garden, owned by Cablevision, a public company, owns the NBA's New York Knicks, NHL's New York Rangers and WNBA's New York Liberty, who account for well over 100 guaranteed playing dates. In addition, with concerts and other attractions, it runs about 320 events per year (MSG, 2009). In light of this direct competition, the Coliseum clearly needs at least one, and ideally two permanent tenants to generate revenues that are desperately needed for maintenance and improvements of the building. Madison Square Garden is four years older than the Coliseum and while privately-owned, has undergone two renovations. The latest one, currently ongoing, is costing almost one billion dollars (Worden, 2011).

While Madison Square Garden is forty-four years old and continues to improve its physical and sporting image, the Coliseum has not acted similarly. The Coliseum is publicly-owned by Nassau County and probably would not be able to be rebuilt without a plan that will show that the financing could take place without an increase in annual property taxes. Nassau County is one of the wealthiest counties in the nation but also one of the most heavily taxed (Halbfinger, Jan. 26, 2011).

In January 2011, a New York State oversight board took control of the County's finances (Halbfinger, Jan. 26, 2011).The action was taken because the County was unable to balance its $2.7 billion budget, and the State also believed that the budget was unrealistic. The State formed the Nassau Interim Finance Authority (NIFA) to oversee the current finances. The County's main problems were due to a bloated workforce, an inequitable property tax system and a reluctance to cut services or increase taxes. The last fiscal crisis in the County was ten years earlier, and the County was bailed out with an infusion of $100 million from the State (Halbfinger, 2011). However, with the current state of the economy, New York State has its own budget problems and has not expressed much interest in bailing out the County again.

With the takeover of its finances by NIFA, the County executed a preliminary agreement with the Islanders (Arenaco SPE, LLC, 2011). Essentially the New York Islanders, if a new arena was built, would operate the arena for a period of thirty years. In order to build a new arena, Nassau County or its agencies would have to issue general obligation bonds in a principal amount of not more than $400 million (Arenaco, 2011). Under the terms of the proposed lease, the Islanders would pay the County the greater of $14 million or 11.5 percent of Coliseum revenues, as defined (Arenaco, 2011). In order to issue the bonds, the County would have to hold a referendum for approval or disapproval of the voters.

Not more than a month prior to the referendum, the County laid off over 100 workers. Citizens were upset that the referendum was not held on a regular Election Day in November, and some felt that the County was trying to railroad a positive referendum vote through with a light turnout. The voters turned down the bond issue, which would have still needed to be approved by NIFA, by a 57 to 43 percent margin (Sullum, 2011). A diverse group, including the Republican County executive supported the plan, but a coalition of Democrats, fiscal conservatives, senior citizens, Tea Party members, parents of young children and certain developers opposed the plan (Sullum, 2011) (Halbfinger, Aug20, 2011). Some feel that there was resentment against helping Charles Wang, in light of the face that his Lighthouse Project would have privately-financed a new arena (Winzelberg, 2011).

The bottom line is that as of September 2012 there was no public plan in place that would keep the Islanders on Long island and/or renovate the existing arena or build a new one. The County put out a Request for Qualifications (RFQ) for a master developer for the Hub property (Hogan, 2012). Four developers applied, but one major developer on Long Island subsequently dropped out (Hogan, 2012).

4. The 2011 Proposals

As stated before, a lease was proposed by the County and the Islanders, who would want to operate the new Coliseum (Arenaco, 2011). The Islanders financial projections were reviewed by Conventions, Sports, Leisure International ("CSL"), a firm that provides consulting and planning services to companies in the convention, sports and leisure industries (CSL, 2011). The projections were also reviewed by Camion Associates, a professional services firm, who prepared an economic analysis report for the Nassau County Industrial Development Agency (Maragos, 2011) (Camoin Associates, 2011) and (Cantor, 2011).

The terms of the lease were as follows:

(1) The Islanders would operate the new Coliseum
(2) The lease would be for a thirty-year period, commencing after the expiration of the SMG lease in 2015.
(3) The County would provide the financing of the new arena through a bond issue of $400 million, of which $350 million would be earmarked for the construction of new arena and the balance for the construction of a convention center and a minor league ballpark.
(4) The Coliseum would have a minimum of 17,000 seats and a minimum of 50 suites accommodating at least eight patrons.
(5) The Islanders' operating company would be responsible for the operation, maintenance and repair of the new arena. They would also be responsible for the first $500 thousand of capital repairs, per year, as defined in the lease.
(6) The Islanders' operating company would also be responsible for utilities and insurance for the arena.
(7) The design and cost of the new arena would be similar to the Prudential Center located in Newark, New Jersey which is the home of the N.J. Devils hockey team
(8) The annual rent to be paid to Nassau County would be an amount equal to the greater of $14 million or 11.5 percent of all Coliseum revenues.
(9) Coliseum revenues were defined as gross revenues, net of sales taxes, ticket taxes and ticket surcharges (which are remitted to the county and state) paid to the Islanders related to the operation of activities at the arena. These include revenues from hockey games, ticket revenues from other sports events and from family events, concerts and other entertainment; revenues from the sale of food, beverage, merchandise, other concessions, novelties, catering, suite licenses, club seats, radio broadcasting, sponsorships, the internet, parking, and personal seat licenses. It excludes all other media fees such as revenues from cable and network television broadcasting. (Arenaco, 2011)

Dr. Martin R. Cantor, CPA, of the Long Island Center for Socio-Economic Policy, prepared a report for Nassau County Executive Ed Mangano that analyzed the cash flow and economic impact of the new Coliseum (Cantor, 2011). Dr. Cantor is an economist and economic development consultant to public officials, counties, towns, villages and industrial development agencies (Cantor, 2012). Dr. Cantor analyzed the lease between the County and the Islanders, the conceptual models used by the Islanders to project the revenues, CSL and Camoin, and the additional jobs projected to be created by the project.

The debt service calculations are the same for each model. Borrowings of $350 million (for the Coliseum) at 6.25 percent for thirty years equal payments of $25.84 million per year.

Adding interest-only payments for the two year construction period brings the total debt service cost equal to $818.51 million or an average of $27.28 million per year (Cantor, 2011). Revenue projections differ. The Islanders' revenues projections are the lowest of the three. The Islanders used 49 hockey games and 109 non-hockey events in its projections. Camoin used 125 events, 43 hockey and 82 non-hockey, with a total attendance of 1,365,000, compared to the Islanders' attendance projection of 1,769,600. Camoin used average hockey ticket prices of $60, $27 for other sporting events, $28.13 for family shows, $65.25 for concerts and $30.75 for entertainment events (Camion, 2011). Sales taxes include only the amount that Nassau County would receive. The entertainment tax was $1.50 per new ticket sales, and the hotel tax was fixed at 3 percent, generated by the new visitors anticipated. CSL compared the Islanders' projections to the results of other comparable arenas. They believed that the Islanders' average hockey ticket price of $64 was acceptable, but thought that the revenues from third-party events (concerts, family shows) were too high. In addition, it reduced the revenues from sponsorships and premium seating (Cantor, 2011).

4.1 Table 1 - Comparative revenues, debt service costs, excess of revenues over costs and net benefits to Nassau County class one households over the 30-year lease

Revenues:	Camoin	CSL	Islanders
Revenue sharing	$901,285,437	$780,944,295	$754,825,590
Sales tax revenues	221,283,353	177,101,981	141,535,620
Entertainment tax	58,842,770	99,641,666	79,631,800
Hotel tax revenue	12,121,498	12,122,092	12,122,095
Total revenues	$1,193,533,058	$1,069,810,037	$988,115,105
Debt service costs	(818,512,480)	(818,512,480)	(818,512,480)
Revenues over debt service	$375,020,578	$251,297,557	$169,602,625
Benefit to class one Property owners	$273,690,018	$183,396,957	$123,775,996
No. of class one property owners	382, 900	382,900	382,900
Total benefit per owner	$714.18	$478.97	$323.26
Benefit per year (over 30 years)	$23.83	$15.97	$10.78

(Cantor, 2011)

4.2 Table 2 – Job Creation and Economic Impact

Cantor also analyzed the projections of the jobs created and economic impact of a new arena, as proposed by Camoin Associates:

	Construction (per year)	After Completion
Primary jobs	806	2,111
Secondary jobs	709	929
	1,515	3,040
New wages	$121 million	$139 million
Primary and secondary spending	$257 million	$358 million

Cantor also analyzed the projections of the jobs created and economic impact of a new arena, as proposed by Camoin Associates. Are these numbers reasonable? The only certainty would be the minimum of $14 million that was to come from the Islanders. Dr. Cantor believes that the other revenue amounts appear to be conservative, based upon the number of events booked and the sales, entertainment and hotel rates established. In addition, the County executive has stated that this agreement does not include any other development rights to the property (Burton, 2011). However, these numbers show that there would be a reasonable chance that the revenues derived from the Islanders operating the Coliseum would cover the debt service costs, and therefore there would be no out-of-pocket costs to the Nassau County taxpayers.

5. Benefits of Having an Arena on Long Island

The Islanders stated that the team will leave the arena after their lease expires in 2015. Aside from the creation of new construction jobs for a limited period, new primary and secondary jobs, additional spending which leads to positive economic activity and tax revenues, there are other benefits to having an arena on the Island. This is the only major league franchise in an area with a population of 2.85 million citizens, not counting the neighboring New York City borough of Queens (LIexchange, 2012). Long Island might possibly lose the concerts, events and family attractions that have been taking place there for the past 40 years. There will be a significant decrease in the quality of life for the people who live there. There would be no indoor arena on Long Island with a capacity of 16,000 seats, an amount needed for certain major events. In addition, there is an intangible benefit of civic pride, that is, the region having a team and an arena that attracts first-class entertainment (Camoin, 2011).

6. What Does All This Mean?

In the review of the 2011 Redevelopment Plan, the County Comptroller stated that in the 2004-2005 NHL season lockout when there was no hockey played, the County's take from the Coliseum's revenues did not decline significantly. The revenues were $2.12 million in 2004, $1.7 million in 2005 and $2.5 million in 2006 (Maragos, 2011). It appears that the decline in revenue through the absence of hockey was significant. The Comptroller thought that the absence of hockey in that period indicated that the Coliseum was able to book other events, and that the County could retain revenue despite the absence of the Islanders (Maragos, 2011). This would now be more difficult with the opening of the Barclays Center in Brooklyn just a commuter train ride away. In a 2006 report, the Director of the Nassau County Legislative Budget Review, disclosed that in the 2001-2006 period, SMG earned a profit between $600 thousand and $2.5 million annually, and the Islanders and Mr. Wang lost between $12 and $27 million annually (Naughton, 2006). In our opinion, the key to the Naughton report was a statement that the County broke even on the facility, however this was aided by a lack of capital maintenance spending (Naughton, 2006). Gary Bettman, commissioner of the National Hockey League, stated that the "facility is long past its due date," and he doesn't think that the County has done a particularly effective or spectacular job maintaining it." (Wolfle, 2012, p. 2). If the Islanders leave, if the bookings drop below 30%, if the County, in light of its current fiscal crisis, cannot provide the required funds for maintenance, repair and improvements, how long will it take before the building is no longer usable?

A recent article in *Newsday*, based on the Camoin Associates and Nassau County Comptroller reports indicated that the economic impact on Nassau County, of the then-in-existence NHL lockout with no games being played would be $62.2 million; and the direct loss to the Nassau County treasury in the form of ticket taxes, share of concessions and parking would be $1.1 million (Brodsky & Marshall, 2012).

7. Solutions

So where does Nassau County go from here? It is unlikely that a private developer will finance a new arena, unless Charles Wang is willing to part with some of his fortune or Woody Johnson, the owner of the NFL's New York Jets and a principal shareholder in Johnson & Johnson, buys the team and puts up a new arena. Both are deemed unlikely. Wang has said that if he had the opportunity, he would not purchase the team again (Baumbach, 2009). He has spent over $200 million of his own fortune to keep the team afloat (Baumbach, 2009). Another potential buyer is Charles Dolan, the Chairman of Cablevision, which owns Madison Square Garden and the New York Rangers, who has roots in Long Island and has the capital to build a new arena. (it is unlikely that the NHL would let Dolan own two teams, especially in the same market). However, this year Madison Square Garden purchased the Forum in Inglewood, California for $23.5 million and a promise for a major $50 million renovation.

The city would provide an additional $18 million if the proposed renovation takes place (Vincent, 2012). This arena was the former home of the NHL's Los Angeles Kings and the NBA's Los Angeles Lakers, who eventually moved to the Staples Center in nearby Los Angeles. There have been no announcements currently to bring major league franchises to the Forum, which sits close to Los Angeles. While the Garden would not own the Islanders, it could act in the capacity as its landlord in a refurbished Nassau Coliseum. In addition, having an arena in Manhattan and in nearby Nassau County could put an economic squeeze on the newly-opened Barclays Center, if Cablevision so desired.

Charles Wang could sell the team, which would remain on Long Island or more likely be moved to another city. He could possibly retain ownership and move the team to Quebec City (a former NHL franchise city that is building a new arena), Kansas City (a city with a new arena but without a franchise) or possibly even the Barclays Arena in Brooklyn. The last of the likely options might be a stop-gap measure as the seating capacity is around 15,000 (considered relatively small) for hockey in that arena. Also, it is unknown if Islander fans would follow the team to Brooklyn via the Long Island Railroad (there is little parking in Brooklyn), or if Brooklyn residents like hockey.

Where would that leave the Coliseum and Nassau County? After 2015, a new lease would have to be negotiated with a firm that would operate the Coliseum. The County ran the building in its first years of operation, and then a lease was entered into with the Hyatt Company which eventually became SMG (Spectator Management Group). The lease has been rumored to not be equitable for the County and is onerous for the Islanders (without a copy we cannot confirm or refute). Would a new company want to manage an arena that is left with perhaps 80 bookings and two state-of-the -art arenas just one hour away by train? Because the County does not have expertise in operating the arena, it is likely there would be more than a few troubles in running the arena. The current state of finances in the County also indicates there may not be adequate funding for proper repair and maintenance of the facility.

The overriding sentiment is that in order to save the arena, there would have to be a partnership between the County and private interests. The proposals that were put forth for referendum vote by the taxpayers in 2011 appear to be sound, and will be subsequently discussed and analyzed. The key to this agreement is to limit the debt exposure to the County, and establish a partnership with significant Long Island companies who are willing to invest funds in a profitable venture that will also benefit their employees and the citizens of Long Island by making it a better place to live. In addition, assuming a smaller bond issue, a better job of selling the agreement to the taxpayers of Nassau County is mandatory.

Research did not disclose any arena being financed with a unique partnership of public and private cooperation such as this. But if the numbers can show a profit, and certain corporations want to accrue the goodwill of the taxpayers of Long Island by becoming good corporate citizens, it could be the solution to a very dire problem. Some believed that the referendum in 2011 did not pass because it was construed as the public helping a billionaire build an arena for his team, or the County was trying to surreptitiously pass the measure by holding the referendum on August 1 instead of on Election Day in November. Everything has to be transparent, disclosed and on the table, and the citizens have to understand the consequences of the measure not being approved. If it is an attractive and equitable package, and the Nassau County taxpayers still reject it, then that is it. But they should have all the facts in front of them before they make a decision.

According to a source, there still is belief that there will be a last minute solution to save the team and the arena. However, that time is running out and concrete plans have to be in place very soon. If hockey players knew that a new arena was forthcoming, they would want to play there. Long Island is still a great place to work and live. If the team gets better free agent players, it will draw more fans. More fans mean more revenues for the team, the operator of the arena and the County. The Islanders sold out almost every game when the team was competitive and was winning its four consecutive Stanley Cups, and was averaging over 14 thousand fans as late as the 2003-04 season, a year before the first lockout (HockeyDB, 2012). There is seemingly no reason why it cannot happen again. There is also no reason why the arena could not get more bookings if the facility is a state-of-the-art venue.

8. Conclusion I

The Islanders are the key to the status of the Coliseum. Without a permanent anchor tenant that will guarantee almost 14 percent occupancy, earn enough profit operating the arena to ensure that the team breaks even financially, and pays sufficient rent and generates taxes to create positive cash flow to the County that will cover the debt service costs, a renovation or construction of a new Coliseum will probably not be financially possible. The arena is in a state of decay, and without proper maintenance will probably not survive. That will further damage the standard of living and image of Long Island. Waiting until 2015 – the end of the current lease – does not seem to be feasible. The County must work in partnership with Mr. Wang and leaders of leading Long Island businesses to provide a way to finance a new arena with limited exposure of the County that will allow approval by NIFA and county voters. Perhaps it might mean selling non-controlling shares of the team, as the MLB's New York Mets did this year to raise $240 million. If an out-of-the-box solution cannot be found, perhaps this region of 2.8 million citizens does not deserve a new arena or the team it currently houses.

9. UPDATE - 2013

Many key events have happened since the end of 2012. The New York Islanders announced that the team was moving to the Barclays Center, in Brooklyn, New York, after the conclusion 2015-2016 season. A twenty-five year lease was signed. Although the capacity of the new arena is on the small size for hockey, the commissioner of the National Hockey League Gary Bettman believes that the technology and the newness of the arena would attract many fans. Once the Islanders move, the number of events being booked at the Coliseum would decrease to 80, which would represent only 22 percent of potential bookings. The move, per the head of the Building and Trades Union, 'sends a terrible message that you just can't get anything done here" (meaning getting sides to agree to a rebuilding or refurbishment of a new arena on Long island).

After this was announced, the County Executive of Nassau County Ed Mangano appointed Bruce Ratner, the main principal of the Barclays Arena project, as an unpaid consultant to advise on how to save the Coliseum. Requests for proposal were solicited for new ideas and four groups were selected to move forward in the process.

- The first was Madison Square Garden Co., who proposed a renovated 14,500 seat arena and an entertainment complex housing restaurants and bars. (Madison Square Garden Co. is part of the Cablevision empire and its principal shareholders live on Long Island). The cost would be $250 million.
- The second was Blumenfeld Development which would spend $180 million to raze the Coliseum and build a new arena with a capacity of 9,000-12,000 seats.
- The third was Forest City Ratner Cos. (a Bruce Ratner company). They proposed a 13,000 seat renovated arena, an outdoor amphitheater, bars, restaurants and an outdoor ice rink. The projected cost of the effort would be $229 million.
- The final group was New York Sports, which would spend $60-90 million to renovate the interior of the Coliseum and downsize the capacity to 8,000-10,000 seats. It wanted to bring in college and professional lacrosse (a very big sport on Long island, starting with youth leagues) and a minor league hockey team.

The most important point was that the winning project would be privately funded.

In July 2013, the Ratner Group and Madison Square Garden became finalists. Blumenfeld, a Long Island developer, joined Ratner to compete against Madison Square Garden. The winner of the bid to develop the arena and some of the surrounding property would be announced in August. Each of the two parties was asked to submit complete, signed leases to the County as part of its proposal. The County was looking for maximum revenues, minimization of utility and maintenance expended from the County Treasury, and for the developer to take control of the arena as soon as possible.

On August 15, 2013 , the bid was awarded to the Ratner Group. This happened a little more than two years after the voters of Nassau County voted down a proposition to seek a bond issue of $400 million to fund a renovation of the arena by a group headed by the owner of the Islanders, Charles Wang, who would have paid the debt service on the bonds. In the Ratner bid the County would receive 8 percent of gross revenues and 12.75 percent of parking fees (now $20 per auto), with escalating minimum payments over the initial 34-year lease term. The Ratner Group would also guarantee a minimum of $195 million in county revenues by the end of the lease.

Madison Square Garden's comparable number was $112 million. Ratner Group's estimates are based on total revenues, while Madison Square Garden's was based on ticket sales alone.

9.1 Table 3 – Breakdown of Proposed Events for Renovated Nassau Coliseum

The number of proposed events for the renovated Coliseum would total more than 300.

The final plan would create the following structures:

- A 13,000 seat refurbished arena, which can go down to 4,000 as needed.
- A 2,000 seat theater
- A 2,500 seat amphitheater that can be converted into a skating rink
- Up to six restaurants, a movie theater and 50,000 square feet of retail space.

The project would include 5,000 parking spots at the Coliseum. With the current cost of parking at $20 per car, five thousand cars would bring in $100,000 of parking revenues per event. The County's share would be, at 12.75 per cent, $12,750 per event. Job creation is estimated to be 1,330 one-time construction jobs and 2,500 full-time, part-time and seasonal positions.

On September 23, 2013, the Nassau County Legislature unanimously approved the $229 million Ratner project to renovate the 41-year old Nassau Veterans Memorial Coliseum. The Coliseum was "saved" for the 2.8 million residents of Long Island who can continue to enjoy family, sporting, and other events.

10. Conclusion II

Depending on the location and state of the economy (national and local), it likely will be more difficult for professional franchises to have municipalities build sports venues for them. The authors believe that such venues will have to be built with private funds or in partnership with franchises. In addition to the poor status of the economy in Nassau County, the Islanders, the prime tenant of the Coliseum, had to deal with County politics and a rebuff by the voters in the 2011 referendum. It is our sentiment that this feeling will be more prevalent as time goes by and that it will have to be proven to private developers that there is profit potential in such projects. Only then will they build.

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