

January 29, 1957.

File Memorandum re New Stadium

*add 50  
How much?*

Messrs. Jack Madigan and Al Kubly of Madigan & Hyland spent this afternoon with me. That firm has been retained by the Brooklyn Sports Center Authority (for \$25,000) to make a feasibility study of our new stadium. A thorough exploration of the entire problem was made. The following informal conclusions were reached.

1. Acknowledging the ball club's willingness to invest \$4,000,000 in the Sports Authority's first mortgage stadium bonds Brooklyn sold its Montreal and Brooklyn real estate for a total of \$4,000,000 to have the funds available. The sale of the Brooklyn property puts a timetable on the date for ultimate decision. There will have to be definite, affirmative progress by July 1st, (if the Brooklyn franchise is to remain in Brooklyn.)

2. Brooklyn Dodgers commitment of \$4,000,000 is predicated upon the agreement reached at a luncheon at which Mayor Wagner, Borough President Cashmore, Commissioner Moses, John McGrath and Jack Flynn and others were present. It came about as a result of a direct question from Mr. Flynn as to whether Brooklyn would invest \$4,000,000 in first mortgage bonds if a stadium were to be built at the site preferred by the Dodgers and of a design and capacity in keeping with the Dodger preference and if the Dodgers would be the sole tenant for baseball and all other purposes. It is, of course, understood there would be formed a separate management or operating corporation.

3. The above contemplates an enclosed domed-over stadium seating approximately 50,000 persons costing not more than \$8,000,000.

4. Mr. Madigan approached the problem on the above suppositions and wanted to know what rental the Dodgers would pay. I told him that I was thinking in terms of \$500,000 per annum. We went into mathematics of this figure, we also discussed possibilities that the Dodgers would be forced out of Brooklyn by lack of action but were in quick agreement that the Dodgers belong in Brooklyn, that every effort should be made to keep the franchise here.

5. Based on the above, Mr. Madigan will have Mr. Kubly and other staff members of his organization do research on the financial and engineering feasibility of the matter. I will be available to them for consultation.

*To Madigan  
\$500,000  
2/1/57*

6. For that portion of the time when the stadium would be occupied by baseball alone the ball club would pay to the operating company a nominal rental of \$25,000 per year based on the traditional Kansas City and Milwaukee leases. On any attendance in excess of \$1,500,000 there will be an extra rental of 25¢ per paid non bleacher admittance. For all other events, an airplane show, for example, the rental would be on the basis of 25¢ per admission with concession and other net receipts going to make up the annual obligation.

7. As the LIRR <sup>would be</sup> paid for its property <sup>in Authority bonds</sup> the tenants now paying rental to the railroad would pay rental to the management company.

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8. In order to reach the fee of \$500,000 per annum the temporary 5% city admission tax which this year amounted to \$165,000 at Ebbets Field, would have to be abolished.

9. To quiet reported concern about the saleability of the bonds with the ball club taking \$4000,000 worth I believe the Dodger stockholders would take another \$1,000,000. Marvin Kratter, purchaser of Ebbets Field has publicly stated on a recent radio broadcast that he would take \$500,000. I know of three other people that would take the balance of the issue. I stated that if desirable in expediting this matter I felt I could secure the underwriting for 100% of the issue before condemnation or other steps were taken. I also stated I believed I could secure commitments for future occupancy of the property for a Motorama such as General Motors has held in the Waldorf-Astoria Hotel, perhaps Ford and Chrysler. It is understood that no attempt is to be made to absorb any of the tenants of the Coliseum but that there would be a need for an enclosed stadium that could house many events not presently intending to use the Coliseum.

It is as simple as the above, all we need is some political cooperation.

WALTER F. O'MALLEY.

