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February 6, 1957.

Re: Brooklyn Sports Center Authority

Jack Madigan telephoned. He has had further talks with Messrs. Mylod and Blum and perhaps also with Bob Moses. Jack referred to the offer I made at our last meeting to pay approximately \$500,000 p.a. rent at which time I renewed our offer to purchase \$4,000,000 of the Authority's first mortgage bonds. Jack said Mr. Mylod was interested in knowing whether or not we would be interested in financing a subrogation position for the \$4,000,000 in the event the stadium would cost \$14,000,000. I told Jack that he or Mr. Mylod could answer that question just as quickly and effectively as I could. Obviously, the answer would have to be "NO". I added that if the Stadium Authority were not to be charged with problems that did not directly concern the ball club and the financing of the stadium such as the relocation of the meat market, the curing of the traffic congestion at Atlantic & Flatbush Avenue, and a new railroad station for LIRR then the price of the stadium should not be \$14,000,000 but approximately \$7,500,000 and our offer of \$4,000,000 might even be stretched to \$5,000,000. This, of course, would be a substantial part of the total cost. The trouble with the proposition and the turn that it has taken within the last year is the loading on the stadium of many of the things that have civic value which should not be tagged on the stadium. Very few large stadia are self-supporting and liquidating. This one has to be as it is to be financed by private bond subscribers and not the City.

Time is growing very short on this matter and the outlook is not good for a speedy, intelligent solution.

Madigan stated that a \$14,000,000 overall cost would require \$1,250,000 to \$1,500,000 to make the bonds marketable. The ball club could never assume that financial burden and, of course, has no intention of rebuilding an old section of Brooklyn at its expense. The rental offered is by far the highest ever offered by a ball club and I would be reluctant to have the figure become public because of the embarrassment which it would have to other clubs operating municipally or county owned stadia.

All recent newspaper clips would seem to indicate that the stadium proposition is being given the kiss of death. I recently called this to the Mayor's attention hoping to receive a prompt denial. As yet I have heard nothing.

WALTER F. O'MALLEY

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