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PSE Confirms Plans for Public-Private Partnership to Finance New Buffalo Bills Stadium.

Pegula Sports and Entertainment told Mayor Byron W. Brown this week that it will seek a “public-private partnership” with state and local government to build a new stadium for the Buffalo Bills in Orchard Park.

A PSE executive late Friday confirmed Brown’s account of his conversations over the past few days with officials “at the highest levels” of the company that indicated Bills ownership will not seek a deal totally financed with public money.

Ron Raccuia, executive vice president of PSE, offered his first public comments on the stadium proposal late Friday. He said “the Pegulas purchased the Bills with a commitment to build a championship caliber organization.”

“They want to win, and they have continued to provide the resources necessary to do so,” Raccuia said. “When it comes to the future new home of the Bills, they have always known that, like virtually all NFL stadiums, this will ultimately be some form of a public/private partnership.”

The mayor said he periodically speaks with the team about their plans, even though any public financing for a new facility would stem from state and county sources.

“They made it clear to me they are willing to be a financial partner in a new stadium and expect to be,” Brown said. “I’m sure they expect a public partnership as well. They see it as a public-private partnership.”

Multiple sources told The Buffalo News for an Aug. 1 story that the proposal centered around 100% public financing. The sources spoke on condition of anonymity due to the high sensitivity of the early stages of negotiations, noting that the Bills were seeking at least \$1.1 billion in taxpayer assistance – grants, tax breaks and other possible funding streams. Sources later confirmed to The News that the actual amount the team offered in its first proposal was \$1.4 billion.

The idea of total financing of a new stadium produced concern among Albany lawmakers, with several labeling the idea a “non-starter.” Assembly Majority Leader Crystal D. Peoples-Stokes, D- Buffalo, was among those dismissing the original plan as outlined to her. Late Friday, she reiterated that she always understood the PSE proposal involved total public financing, adding she was encouraged by the mayor’s comments.

“The way it was intimated to me by the governor’s people is that they wanted to build a new stadium, but there was no reference to a public-private partnership,” she said, adding that Brown’s version of the team’s position “was not the way it was given to me originally.”

The mayor, meanwhile, said he believes that the public-private relationship was “their position all along.” Brown said he spoke to PSE representatives because he was “concerned” about the situation.

“So we have the Pegulas and their representatives clarifying that they certainly will be a financial partner in this,” he said, “and that definitely made me feel good about this prospect.”

Representatives of New York State and Erie County, the main public entities expected to finance a new stadium, were not available for comment.

The News reported earlier this month that PSE had floated to the state and county officials an initial ask that the public pay for a new facility to be built in Orchard Park adjacent to the team’s existing facility. The proposal would negate any need to temporarily relocate to another city during a multi-year construction effort.

The team’s current lease for the county-owned Highmark Stadium expires in 2023. As a result, sources told The News that negotiations between PSE, the state and Erie County are taking on a more serious tone in recent weeks.

The concept also carries broad implications for the entire state beyond just financing. Other areas of New York could be expected to make their own proposals for Albany dollars to pay for new minor league baseball stadiums or downtown hockey arenas, as has occurred in the past whenever major league projects have been proposed for New York City or Buffalo.

All of this also occurs as Gov. Andrew Cuomo prepares to leave office following his announced resignation stemming from sexual harassment allegations. He will be succeeded by Lt. Gov. Kathy Hochul, who said this week that keeping the Bills in Buffalo is a “high priority.”

The Buffalo News

by Robert J. McCarthy

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