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## **NFL's Bills Take \$850 Million in Record Taxpayer Outlay for Stadium.**

New York state and local government will contribute \$850 million to help the NFL's Buffalo Bills construct a new \$1.4 billion stadium in western New York. If the proposed deal stands, it would be the biggest government contribution to a new sports stadium, surpassing \$750 million committed by Las Vegas for the Raiders.

New York Gov. Kathy Hochul announced the agreement this morning. New York state will contribute \$600 million in funds while Erie County will give \$250 million. The team will foot the tab for the balance, including any cost overruns, with the help of a loan to the team approved by NFL owners in recent days. In return, the Bills agree to remain in Buffalo for 30 years, having to repay all public monies in the first 15 years, with a declining repayment amount afterwards.

"While there are a few more yards to go before we cross the goal line, we feel our public-private partnership between New York State, Erie County led by County Executive Mark Poloncarz, and the National Football League will get us there," Bills owners Kim and Terry Pegula said in a press release from the governor's office.

The Bills are the only NFL team to operate in New York, with the Jets and Giants training and holding games in New Jersey. That duo's MetLife Stadium was built at a cost of \$1.6 billion without any direct public financing, although some state agencies surrendered fees from game-related business they had collected previously. The NFL's newest stadium, SoFi in Los Angeles, was built at a cost of \$5 billion without taxpayer support.

For Buffalo, the public contribution to the Bills facility is 61% of the projected price tag. In the instances of public finance contributions to new sports facilities since the Great Recession began in 2008, the taxpayer percentage has been about 33%, according to Victor Matheson, an economist at Holy Cross.

"As soon as you see handouts to one side, everybody has a good argument as to why they're not getting their own stadium," Matheson said. "The Giants and Jets play in a stadium with almost no public money in it. Their cross-division rivals, the Patriots, put almost no public money into Gillette. If I'm Rochester, I'd say, 'I could use a new soccer stadium—what's holding us back?'"

Erie County executive Mark Poloncarz said the contribution by the county is a one-time payment, with new use taxes on stadium parking and other game-day fees going into a capital improvement fund. "In effect we are getting out of the football business," Poloncarz said at a press conference this morning. "Erie County provides over \$2 million annually on capital improvements. Erie County will no longer be providing assistance."

Erie will take \$75 million in last year's budget surplus, with the rest to be paid from county bonds to be issued. A spokesperson for Gov. Hochul didn't immediately respond to a request for how the state is financing its contribution.

Poloncarz framed the taxpayer contribution as a good deal for the county, noting the final public payment is less than amounts floated in the media in recent weeks.

“Go Bills, go win that Super Bowl,” Poloncarz said. “This is a very good day. People were questioning if we were going to get a deal done and if we were going to give them a billion dollars or more for the stadium.”

**sportico.com**

by Brendan Coffey

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