

The Commonwealth of Massachusetts

EXECUTIVE DEPARTMENT,
STATE HOUSE, BOSTON, August 10, 1966.

To the Honorable Senate and House of Representatives:

The people of Massachusetts have established a consistent and long standing record of support for their athletic teams. Our major professional organizations, the Red Sox, the Celtics, the Patriots and the Bruins enjoy the fierce loyalty of fans throughout the New England area and beyond. We in Massachusetts take great pride in our major league teams and are mindful that their presence within our borders enhances our economy and our image throughout the country. We are equally proud of our abundant tourist attractions as well as our many recreational and civic facilities.

On July 26, 1962, the Legislature determined that in order for the Commonwealth to remain one of the major sports and convention centers of the Nation, a larger and modern stadium would have to be constructed. This same conclusion has also been reached by such urban centers as Washington, D.C., Baltimore, Houston and Atlanta. It is a conclusion with which I am in full agreement.

Consistent with this purpose, the Greater Boston Stadium Authority was created by the Legislature to locate, construct, maintain and operate in the City of Boston a multi-purpose covered stadium and appurtenant facilities, with a minimum seating capacity of 60,000. Although the Authority was authorized to issue revenue bonds to pay the cost of the stadium project, its enabling legislation specifically stated that such bonds would not be deemed to constitute a debt of the Commonwealth or of any political subdivision thereof, nor would they constitute a pledging of the faith and the credit of the Commonwealth or of any such political subdivision.

Since its creation, the Stadium Authority has conducted a continuing and comprehensive investigation into the need for such a new facility in the Greater Boston area as well as the most appropriate means for meeting this need.

On January 29, 1965, the Authority filed with the Governor and the Legislature a comprehensive report which contained its proposal for a major recreational and convention center in the Greater Boston area.

In May of 1966, the Authority filed with the House of Representatives a proposed amendment to Chapter 778 of the Acts of 1962, which is the Act creating the Authority and which sets forth its powers and responsibilities. Briefly, the Stadium Authority proposed the construction of the following:

1. A garage sufficient to accommodate 5,400 cars at an estimated cost of \$24,887,000;
 2. An arena seating 18,000 spectators at an estimated cost of \$17,118,000; and
 3. A Stadium seating 55,000 at an estimated cost of \$55,000,000.
- The total cost of the complex, including that of financing and setting up necessary reserves, was \$98,000,000.

The Authority reported that the \$98,000,000 could not be sold as an ordinary bond issue at sufficiently low interest rates to make the project economically feasible, even though the bonds would be tax exempt. It proposed, therefore, that the Commonwealth pledge its credit in support of the Authority's bond issues. On June 1, 1966, the House of Representatives refused to admit this proposed legislation as a late-filed bill for consideration during this session.

In accordance with my responsibilities as Governor, I requested the Commonwealth's Finance Advisory Board, comprised of Robert Q. Crane, Treasurer and Receiver General of the Commonwealth, Sherwin C. Badger, John K. Benson, William F. Keesler and Harold Cahalin to consider and report on the financing aspects of the Authority's aforementioned proposal. The Finance Advisory Board rendered its report on July 15, 1966. While the Board analyzed the proposal in detail, its general conclusion is set forth on page 2 of its report: "The Board unanimously agrees the erection of a modern stadium in the Greater Boston area would benefit the general economy of the State both directly and indirectly. If the General Court, with the approval of the Governor, sees fit to grant a limited subsidy, that is a matter outside the purview of the Finance Advisory Board. The Board, however, is not prepared to recommend that the Commonwealth put its full faith and credit behind all of or any part of the Authority's bonds".

The Finance Board enumerated several factors which influenced its decision and, in addition, recommended that several points be re-examined before the Commonwealth embarked on legislation embodying the full program envisaged by the Stadium Authority. These included (1) the advisability of constructing both an arena and a stadium in one complex; (2) the advisability of having the stadium covered, either permanently or with a retractible roof; (3) a further review of both gross revenues and operating expenses; (4) a further review of parking and traffic problems; (5) a further review of the proposed mandatory use charges intended to compensate the Commonwealth for guaranteeing the revenue bonds.

On July 26, 1966, I requested the Finance Advisory Board to review certain suggested modifications of the Stadium Authority's original proposal. These modifications included a proposal that the State undertake to guarantee up to, but not in excess of \$55,000,000 for a stadium either in the South Station area or in the Framingham area, and further suggested that a sufficient sum be appropriated for a new study and proposal. In a report dated August 2, 1966, the Finance Advisory Board advised me that it did not believe that the guaranteeing of not more than \$55,000,000, instead of the original proposal of \$98,000,000, for a stadium would adversely affect the credit rating of the state, "provided the financial feasibility of the stadium can be demonstrated". It also stated, "that \$55,000,000 should include debt service during construction and funds for adequate parking".

The Finance Advisory Board went on to state that if the Commonwealth were to embark on such a venture, "the conditions upon which such a guarantee were made would have to be very carefully circumscribed. The Governor should have the power to approve or veto the issuance of bonds. As a further safeguard it might be desirable for the Treasurer and Receiver General to be a member ex-officio of the Stadium Authority's reconstituted board". It stated further that before such guaranteed bonds were issued, concrete evidence should be available from qualified consultants regarding costs and projected gross and net earnings that would reasonably demonstrate the stadium's economic feasibility. In addition the Board suggested that, from a financial standpoint, it would be desirable to give consideration to sites other than the South Station and Framingham areas, and recommended that further sums be appropriated for the required additional study.

As I have stated many times, I endorse fully and without reservation the concept that a new stadium is needed if the Commonwealth is to remain competitive with its many Sister States who have already undertaken such projects. There can be no question that the addition of such a facility to our many other tourist and recreational attractions would have a most favorable impact on our economy, not only in the Greater Boston area, but throughout the Commonwealth.

We must dedicate ourselves to the task of transforming this project from a legislative blueprint to a functioning facility. At the same time, we must insure that the course we follow to achieve this end is the best and most economical one available to us. By any standard we are embarking on a monumental project — one which must be geared to provide the utmost in recreational and civic facilities for many future generations of Massachusetts people.

The Stadium Authority is performing its duties intelligently and effectively. Theirs is a most difficult task. These dedicated men have taken a mere concept and, by a painstaking process of study and investigation, have developed sufficient information to bring this project to the very threshold of reality. They have sought and obtained the advice and assistance of the most highly qualified consultants.

As has been indicated by the report of the Finance Advisory Board and by the report of the Stadium Authority itself, further investigation is necessary in order to determine finally the proper ways and means for constructing this important facility, and to resolve questions that go beyond the scope of the legislation which created the Stadium Authority. For this reason I propose the creation of a Legislative Commission which would study and resolve the questions remaining with respect to the proposed stadium — and which would make its report and recommendations to the Governor and the Legislature no later than December 14, 1966.

The Commission would be comprised of seven members: the President of the Senate, or his designee, the Speaker of the House, or his designee, the Chairman of the Greater Boston Stadium Authority, and four members to be designated by the Governor. Briefly stated, its duties would include investigating and making recommendations on all matters pertaining to the financing of the new stadium. This would include consideration of the following questions, among others: whether the stadium should be built by private enterprise or by an authority of the Commonwealth;

whether the Commonwealth's credit should be pledged in support of any bond issue by a state authority; whether estimated income from the stadium will be sufficient to meet operating expenses plus debt service requirements; whether the stadium should be open, covered or have a retractable roof; whether the facilities appurtenant to the stadium should include an arena; whether the stadium feasibly might be designed to accommodate small conventions, spectator sports other than baseball or football, and other "arena-type" activities through the use, for example, of portable bleachers; what parking facilities would have to be provided for stadium patrons; whether and to what degree the economic feasibility of the stadium is dependent upon revenues from parking facilities; what location would yield a maximum ratio of stadium revenues to operating and debt service expenses; what stadium capacity would also yield such maximum ratio; and what location would provide the greatest impact upon the tax revenues and economy of the Commonwealth.

This Legislative Commission would have available to it the material already developed, as well as that now being prepared by the Stadium Authority. Moreover, I have been assured by the Presidents of the Celtics, Red Sox, Patriots and Bruins, as well as by the Chairmen of both the Massachusetts Turnpike Authority and the Massachusetts Port Authority that their organizations will cooperate fully with this Legislative Commission in order to assist and expedite its study.

When the Governor and the General Court have the benefit of this Legislative Commission's report, we will then be in a position, early in the next legislative session, to take the final steps necessary to implement the actual construction of this important project which will do so much to improve the recreational, commercial and employment opportunities available to the people of our State.

I recommend that \$50,000 be appropriated for the Legislative Commission's expenses and that this sum be added to those amounts recommended in my supplementary budget message of August 8, 1966. Amounts now available as projected in the balance sheets of House One are sufficient to meet the cost of this appropriation.

I respectfully urge that you give prompt and favorable consideration to the attached legislation.

Respectfully submitted,

JOHN A. VOLPE,
Governor of the Commonwealth.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Sixty-Six.

RESOLVE ESTABLISHING A SPECIAL COMMISSION TO STUDY THE MOST DESIRABLE AND FEASIBLE MEANS BY WHICH A NEW STADIUM MAY BE BUILT IN THE COMMONWEALTH.

1 *Resolved*, That an unpaid special commission to consist of the
2 president of the senate or his designee, the speaker of the house
3 of representatives or his designee, the chairman of the Greater
4 Boston Stadium Authority established by chapter 778 of the
5 Acts of 1962, and four persons to be appointed by the Governor,
6 is hereby established for the purpose of making an investigation
7 and study of the feasibility and desirability of various means
8 by which a new multi-purpose stadium and appurtenant facili-
9 ties may be constructed in the commonwealth. Said commission
10 shall consider, among other things, whether the stadium should
11 be built by private enterprise or by an authority of the com-
12 monwealth; whether the commonwealth's credit should be
13 pledged in support of any bond issue by a state authority;
14 whether estimated income from the stadium will be sufficient
15 to meet operating expenses plus debt service requirements;
16 whether the stadium should be open, covered or have a retract-
17 ible roof; whether the facilities appurtenant to the stadium
18 should include an arena; whether the stadium feasibly might be
19 designed to accommodate small conventions, spectator sports
20 other than baseball or football, and other "arena-type" ac-
21 tivities through the use, for example, of portable bleachers;
22 what parking facilities would have to be provided for stadium
23 patrons; whether and to what degree the economic feasibility
24 of the stadium is dependent upon revenues from parking fa-
25 cilities; what location would yield a maximum ratio of stadium
26 revenues to operating and debt service expenses; what stadium
27 capacity would also yield such maximum ratio; and what lo-
28 cation would provide the greatest impact upon the tax revenues
29 and economy of the commonwealth.

30 The commission may hold hearings, may travel within or
31 without the commonwealth and its members shall receive their
32 necessary and reasonable expenses. The commission shall
33 select its chairman and may expend for such clerical and other
34 assistants as may be necessary for the performance of its duties
35 such amounts as may be appropriated therefor.

36 Said commission shall make its final report to the Governor
37 and the general court together with its recommendations for
38 legislation, if any, on or before the second Wednesday of De-
39 cember, 1966, provided however that said commission may file
40 interim reports.

The following are the names of the persons who have been appointed to the various positions in the organization of the Houston Chapter of the American Red Cross. The names are listed in alphabetical order of the surnames. The names of the persons who have been appointed to the various positions in the organization of the Houston Chapter of the American Red Cross are listed in alphabetical order of the surnames. The names of the persons who have been appointed to the various positions in the organization of the Houston Chapter of the American Red Cross are listed in alphabetical order of the surnames.

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