

THE BOND BUYER

A Change in Plans

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By Elizabeth Harris

The city of Portland has revised its plans to build a new arena to replace the Cumberland County Civic Center.

Instead of borrowing on its own to finance the stadium, the city will try to engage other communities in the financing process in attempt to make the facility project more regional in scope.

Portland had initially been teased by the promise of a \$ 20 million charitable donation toward the \$ 46 million project, as well as the gift of a \$ 1 million parcel of land, and city officials were looking into selling revenue bonds to finance the project.

But when it became apparent that stadium revenues alone would not be sufficient to support the project on a stand-alone basis and that Portland would have to issue some amount of general obligation debt -- or revenue bonds backed by a GO pledge -- to finance the facility, the city decided to go a new route, said Chris Dunlavey of Washington D.C.-based Brailsford & Dunlavey Inc., a sports facility consulting firm that prepared a feasibility study on the planned facility.

City officials rejected the gift and decided against seeking voter approval for GO debt.

"They couldn't muster the political will" to push for general obligation bonds, Dunlavey said.

He said that his study indicated that a broader stadium project designed to attract people from throughout the region would be preferable to a local Cumberland County facility.