

The Oakland A's and the Impact of Team Relocation Home and Away

By: Walter Eric Wheeler

On November 16, 2023, Major League Baseball (“MLB”) ownership unanimously approved the relocation of the Oakland Athletics (“A’s”) to Las Vegas. The move came after years of tension between Oakland A’s owner John Fisher and the City of Oakland.¹ Fisher’s decision to move the team also fits within a broader trend of team relocation beginning in the 1990’s.² Team relocation raises significant political, economic, and legal issues both in the cities left behind, and their new home. An examination of the thus far turbulent process for the A’s reveals the massive impact of relocation both home and away.

The decades-long conflict between Fisher and the City of Oakland is emblematic of a common feud between team owners and their host cities.³ Since purchasing the team in 2005, Fisher has demanded a new stadium to replace the much-maligned Oakland Coliseum.⁴ According to Fisher, a new stadium was necessary to retain young players and attract free agents to the struggling franchise.⁵ The City of Oakland was unable to secure hundreds of millions in public funds to construct a new stadium at Howard Terminal.⁶ Moreover, the Howard Terminal project faced significant legal and political opposition from local industry groups which opposed the plan.⁷ Eventually, Fisher turned to Las Vegas as negotiations with Oakland broke down.

¹ Joel Umanzor, “John Fisher blames Oakland on his way out, plots to build a World Series contender in Las Vegas,” *The San Francisco Standard*, November 18, 2023, <https://sfstandard.com/2023/11/18/athletics-relocation-las-vegas-oakland-john-fisher/>.

² “Come Back, Shane: The Movement of Professional Sports Teams,” *JRank*, accessed April 12, 2024, <https://perma.cc/G4AT-58HR>.

³ Umanzor, “Fisher blames Oakland on the way out and plots a World Series contender in Vegas.”

⁴ *Ibid.*

⁵ *Ibid.*

⁶ *Ibid.*

⁷ *Ibid.*

Although the A's have finalized their plan to move to Las Vegas, their current status in Oakland remains up in the air. The proposed new stadium in Las Vegas is not set to be complete until the 2028 season at the earliest.⁸ Meanwhile, the A's lease on the Oakland Coliseum expires after the 2024 season.⁹ Therefore, the A's are currently without a home for the 2025-2027 seasons and must either negotiate an extension with the City of Oakland or find an alternative location. To make matters worse, the A's stand to lose \$70 million annually from their regional TV contract if they play the 2025-2027 seasons out of the immediate area.¹⁰ This incentive to play the 2025-2027 seasons in Oakland gives the City of Oakland an advantageous position in negotiations with the A's.

The A's departure from Oakland sparked significant backlash from local fans, many of whom already despised A's owner John Fisher.¹¹ The team's plan to relocate also raises the broader question of what role sports teams play in their home cities. A common point of disagreement between owners and their detractors concerns the economic value teams bring to the surrounding area. When asking for public funds from local governments, team owners routinely point to the economic boost brought by the team's presence in the city as a justification.¹² Meanwhile, opponents argue that the purported economic benefits are overstated in order to extract huge concessions from cities in an effort to both attract teams and prevent teams from leaving.¹³ Setting

⁸ Owen Poindexter, "Murky Future: Everything You Need to Know About the A's Move to Las Vegas," *Front Office Sports*, February 23, 2024, <https://frontofficesports.com/murky-future-everything-you-need-to-know-about-the-as-move-to-las-vegas/>.

⁹ Ibid.

¹⁰ Ibid.

¹¹ Umanzor, "Fisher blames Oakland on the way out and plots a World Series contender in Vegas."

¹² "Come Back, Shane: The Movement of Professional Sports Teams," *JRank*, accessed April 12, 2024, <https://perma.cc/G4AT-58HR>.

¹³ Gabe Stern, "Economic boost or big business hand-out? Nevada lawmakers consider A's stadium financing," *AP News*, May 29 2023, <https://apnews.com/article/oakland-athletics-las-vegas-athletics-las-vegas-strip-0c84ade7c9c755b93ad275c693881c26>.

economic debates aside, sports teams also contribute an undeniable cultural and social value to their host cities and regions.

Currently, the A's ownership has faced opposition in the Nevada state legislature from skeptical lawmakers.¹⁴ One lawmaker questioned whether Las Vegas would truly benefit from hosting a team with the "worst record in baseball."¹⁵ Despite eventually receiving \$380 million in bonds and tax credits, the A's still face significant challenges to their plan for a new stadium.¹⁶ The approved plan calls for the demolition of the Tropicana Hotel to make space for a new 9-acre ballpark with 30,000 seats and a \$1.5 billion price tag.¹⁷ The proposed site is small compared to other major league stadiums, prompting concerns that the project will not succeed.¹⁸ The site is also technically located outside of Las Vegas city limits, drawing the ire of Las Vegas Mayor Carolyn Goodman, stating that the A's decision "does not make sense."¹⁹ Further, the A's would lose their \$380 million subsidy from the State of Nevada if they chose to develop another site.²⁰

The A's also face legal opposition from a teachers group suing over the use of public funds to help finance the stadium construction.²¹ In February 2024, Strong Public Schools Nevada, a political action committee supported by the Nevada State Education Association, filed a lawsuit in state court challenging the \$380 million subsidy.²² According to the lawsuit, the Nevada state legislature improperly approved the stadium subsidy without the two-thirds majority required

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ Mick Akers, "A Fantastic Fit: A's Unveil Images of \$1.5B Strip Ballpark," *Las Vegas Review Journal*, May 26, 2023, <https://www.reviewjournal.com/sports/athletics/a-fantastic-fit-as-unveil-images-of-1-5b-strip-ballpark-2784143/>.

¹⁸ Poindexter, "A's Move to Las Vegas."

¹⁹ Ken Ritter, "Las Vegas teachers' group sues to stop tax money from funding A's stadium plan," *AP News*, February 6, 2024, <https://apnews.com/article/mlb-athletics-vegas-stadium-teachers-dfae2cc5f421a146b2a7de89262db639>.

²⁰ Poindexter, "A's Move to Las Vegas."

²¹ Ritter, "Vegas teachers' group sues to stop tax money funding A's stadium plan."

²² Ibid.

under the Nevada State Constitution.²³ The group’s spokesperson, Alexander Marks, released a statement arguing that “[p]ublic money should not go to a billionaire for a stadium while Nevada ranks 48th in the nation with the largest class sizes and highest educator vacancy rates in the country.”²⁴ Although it is unlikely that the lawsuit will succeed in reversing the subsidy, the challenge is representative of the staunch opposition from skeptical Nevadans.

Since team relocation increased during the 1990’s, opponents have searched for ways to prevent cynical, business driven decisions to move sports teams. In 1984, the Ninth Circuit heard a challenge to an NFL requirement for three-fourths approval from NFL team owners before a team could relocate within the territory of another NFL team.²⁵ The Ninth Circuit held that the NFL’s rule violated the Sherman Antitrust Act by unreasonably restricting trade.²⁶ Moreover, Congressional efforts in 1995 and 1996 to change the application of antitrust laws to sports teams stalled out.²⁷ Even if the applicable antitrust laws were altered to allow leagues to block team movement, there is little indication that the major sports leagues would take affirmative action to prevent relocation. The Oakland A’s move to Las Vegas was approved unanimously, meaning that changes to antitrust laws would not have prevented the move.

While the immediate future of the Oakland A’s is uncertain, it is likely that Fisher’s decision to relocate will succeed in increasing the value of the franchise. Moreover, there is little stopping owners like Fisher from making the business decision to uproot their teams. Although teams have consistently faced staunch opposition when moving, the wealth and political influence

²³ Ibid.

²⁴ Ibid.

²⁵ *Los Angeles Memorial Coliseum Com’n v. Nat’l Football League*, 726 F.2d 1381 (9th Cir. 1984).

²⁶ Ibid.

²⁷ “Come Back, Shane: The Movement of Professional Sports Teams,” *JRank*, accessed April 12, 2024, <https://perma.cc/G4AT-58HR>

available to owners often clears the way to approval. It remains to be seen whether Las Vegas and the State of Nevada will benefit from the A's move; however, it is clear that Oakland has lost yet another sports team to relocation.²⁸ The ongoing saga of the A's relocation illustrates the power of owners and lack of regulation in the area of professional sports teams' relocation. Moreover, the A's move demonstrates the complex political, economic, and legal issues posed by moving teams worth billions from one city to another.

²⁸ Alex Kirshner, "Oakland's Unprecedented Triple Exodus is a Unique Sporting Tragedy," *The Guardian*, November 24, 2023, <https://www.theguardian.com/sport/2023/nov/24/oakland-sports-teams-east-bay-athletics-raiders-warriors>