

The Future of RFK: Community Sports and Affordable Housing or NFL Stadium?

Recommendation and Summary

If Congress enacts H.R. 4984, the bill co-sponsored by Rep. James Comer and Delegate Norton, the District will receive a 99-year lease on the RFK Campus, 190 acres of land on the Anacostia River. This legislation presents an opportunity for the District to address two compelling needs – for recreation space and for affordable housing. Construction of an NFL stadium on the site would prevent using the RFK Campus for playing fields for community sports and for housing. **The Committee of 100 opposes a new NFL football stadium on the RFK Campus and supports using the RFK Campus to meet significant needs such as athletic fields for the community and housing, particularly affordable housing.**

Additional recreational facilities

The Comprehensive Plan (2021) cites a need for additional recreational facilities:

.... finding land for ... parks will be difficult and expensive. The District must seize opportunities for parkland dedication on its largest redevelopment sites and take steps now to promote park provision elsewhere as Washington, DC grows. A 2014 DPR study estimated that 180 new acres of parkland will be needed to meet demands associated with increased population over the next 15-20 years. The Department of Recreation and Parks Master Plan (2014) states that an additional 140 acres of parkland is already needed[emphasis added] (PROS-1.4)

The Fields at RFK Campus (formerly Parking Lot 7), opened in 2019, offer three synthetic turf multi-use playing fields on 27 acres for soccer, baseball, softball, lacrosse, and kickball. The demand for playing fields is already huge and will grow. In spring 2023 more than 100,000 people visited the Fields, during 5,000 hours of permitted (i.e., reserved) playing time and 1,000 hours of community open play. Clearly, there is a demand for playing fields and recreational space.

Affordable housing

The District government recognizes an urgent need for more affordable housing and land cost is a primary barrier. The RFK Campus offers acres of land for housing, including significant amounts of affordable housing, at limited cost. RFK is a desirable place for affordable housing: Metrorail and Metrobus access, adjacency to the Kingman Park Historic District, and proximity to the retail centers at Hill East (Reservation 13) and Benning Road.

Either-or choice between playing fields plus affordable housing on one hand vs. an NFL stadium on the other hand

While Metrorail service might somewhat decrease the need for parking, surface parking is needed not only to accommodate people driving to a game, but also for tailgating, an important part of the NFL experience. See **Table A NFL Stadiums Allowing Tailgating**. Almost all of the FedEx parking lots are open for tailgating. All NFL stadiums provide significant amounts of space for tailgating on surface parking lots.¹ A new NFL stadium at RFK would need to provide surface parking for tailgating (people cannot tailgate in a parking garage). RFK currently has approximately 121.8 acres of paved parking. Even that lesser amount of parking, combined with the amount of land needed for a new stadium would certainly leave minimal space for other uses.

An NFL stadium would crowd out important needs and violate the Comprehensive Plan and Anacostia Waterfront Plan. Stadiums require a sprawling footprint – a stadium seating thousands surrounded by acres of surface parking. FedEx Field's football capacity was 82,000 (reduced to 58,000 due to lack of demand); RFK's football capacity was 56,000. FedEx Field has 129 acres of parking, and a new NFL stadium at the RFK Campus would likely require at least comparable seating capacity and parking acreage.

Background

Anacostia Park, over 1,200 acres of parkland bordering the Anacostia River, is owned and managed by the National Park Service (NPS). Anacostia Park includes the 190 acres that comprise the RFK Stadium Campus, which NPS has leased to District for recreational purposes through 2036. The structures on the site, the stadium and armory, are owned by the District. In 2036 the lease will terminate and the land will revert to the federal government unless Congress takes further action.²

Congressional Action.

On July 27, 2023, Rep. James Comer (R- Ky.) and Delegate Eleanor Holmes Norton cosponsored H.R.4984 — to amend the District of Columbia Stadium Act of 1957 to provide for the transfer of administrative jurisdiction over the Robert F. Kennedy Memorial Stadium Campus

¹ Caesar's Superdome in New Orleans, LA has two surface parking lots and five parking garages. Tailgating is allowed on the surface lots but not in the parking garages.

² "Anacostia Park." Wikipedia. Internet; accessed 22 Oct. 2023.

to the Administrator of General Services and the leasing of the Campus to the District of Columbia for purposes which include commercial and residential development, and for other purposes. If enacted, the bill would green-light mixed-use development including housing, commercial development and possibly, a new stadium for the Washington Commanders. A hearing before the House Natural Resources Subcommittee on Federal Lands was held on September 20, 2023. The bill was reported out of Subcommittee and now awaits an approval vote by Congress.

District of Columbia Action.

Prior to the introduction of H.R. 4984, Mayor Bowser announced her preference for a new football stadium, mixed use development and housing, including affordable housing. On the same date that Congress introduced H.R. 4984, DMPED issued a request for proposals, DCEB 2023-R-008, to conduct a "sports study" to analyze the needs of the city's sports arenas, and the feasibility of a possible new football stadium on the RFK Campus. The study is to include "potential financing models for District investment in new and existing sports facilities, potential financing based on an analysis of current needs, existing financing mechanisms and comparative research. ...deliver[ing] a credible understanding of the actual and potential fiscal, economic and community impacts of sports and major sports teams to inform conversations and decisions about potential future investments. ...And: identify[ing] and recommend[ing] deal structures for financing DC sports facilities, leveraging insights from DC and beyond, with a focus on maximizing the fiscal, economic and community benefit of sports to communities." ³

Focus of this White Paper

Both the proposed Congressional legislation and the Mayor's statement (and DMPED's RFP) endorse mixed use development, housing, and the possibility of a new stadium for the Washington Commanders. This white paper explores those potential uses for the RFK Campus: looking at the history of the RFK stadium, role of Events DC, planning context, current uses of the campus (including recreational resources and parking lots), flood plain, the Districts' current and future recreation needs, NCPC's stadium redevelopment study (recreation and mixed use development), affordable housing, possible new football stadium (potential benefits of public

³ Mayor Bowser Announces New 'DMPED Sports Team' to Lead #SportsCapital Agenda | DC.

July 27, 2023. The study would include an evaluation of how other cities have financed new football stadiums "public, private and league financing, plus revenue sharing" and "the economic impact of government tax subsidies "in terms of attracting investment, stimulating growth and generating tax revenues" plus "the economic impact of sport facilities on surrounding communities, measuring job creation, tourism and local business opportunities." Responses were due August 24, 2023 and the report will be due six weeks after the award to winning bidder, JLL and the Robert Bobb Group. *WBJ*, October 2023. "This fall, after the study is complete, the Mayor and the DMPED Sports Team will host a DC Sports Summit to bring together owners, staff, and stakeholders from the District's professional sports teams." Meagan Flynn, Michael Brice-Saddler, "D.C. explores funding for a new stadium," *Washington Post*, 4 Aug. 2023, B-1. DCEB 2023-R-008.

financing: construction jobs, addition jobs from new spending at the stadium, return on public investment, economic development, increase or decrease in residential property values, public good amenities other than economic benefits, and negative externalities). This white paper also identifies questions to analyze consultants' reports on proposed new stadiums.

This Paper Will Address

- I. District Stadium/RFK Stadium History
- II. Planning context
- III. Current Uses
- IV. Earlier Plans
- V. District's Recreation Needs, Current and Future
- VI. Affordable Housing on the RFK Campus
- VII. Mixed Use Development
- VIII. Possible New Football Stadium on the RFK Campus

VIII. Summary of Economists' Research

Appendix A : Audi Field and Nationals Park

Appendix B: Environmental issues

Appendix A discusses the public financing and other costs borne by DC residents for Nationals' Park and Audi Field. Appendix B discusses Environmental issues (including presence of contaminants lead and chromium), run-off from impervious surfaces, transportation, and the Metrorail overpass that present similar issues for whether the site is used for mixed use development, housing, or a new stadium.

I. District Stadium/RFK Stadium History

From the early 1900s to 1957 the stadium site was primarily used as park and open space. A stadium was first proposed in 1930, supported by the Commission of Fine Arts and the National Capital Planning Commission. Eventually a stadium for both football and baseball was approved, designed by George Dahl and Osborn Engineering, opening in 1961 as "District of Columbia Stadium," renamed "RFK Memorial Stadium" in 1969. The seating capacity for football was 56,454 (1992-2004) and 45,596 for baseball (2005-2007). As of 1993, there was parking for 14,610 vehicles. The dimensions of the baseball field were 335 feet (102 m) down the foul lines, 380 feet (116 m) to the power alleys and 408 feet (124 m) to center field during the Senators' time. In 1993 Jack Kent Cooke proposed to build a new football stadium on the RFK Campus, in Parking Lot 7, north of RFK Stadium.⁴ The new stadium would have seated 78,600 people, with parking for up to 18,500 automobiles and 200 busses. Cooke expected that the original RFK Stadium would be maintained and used approximately 18 times a year for "community-based events, soccer and other sporting events, entertainment, and possibly for

⁴ Cooke's plan would not have resulted in taking any homes or businesses. RFK FEIS (1993), Exec. Summary, v.

baseball."⁵ Cooke originally planned to expand RFK's parking lots into Kingman Island, Kingman Lake, and in their search for space, they even considered paving the Langston Golf Course. Due to the opposition of then Secretary of the Interior, the expansion of the parking lots was later dropped. In 1993, the parking question was eventually resolved when Redskins owner Jack Kent Cooke pledged to build his stadium in Maryland . In August 1997, FedEx Field opened in Landover, Maryland. This new facility can accommodate as many as 91,000 fans in contrast with the old RFK's 56,000 capacity with 129 acres of parking lots specifically designed for tailgating - opening well before the game and equipped with PortaPotties ⁶

In 2019, citing high maintenance and utility costs, Events DC decided to demolish the stadium. Demolition began in 2023 and is expected to be completed by the end of 2023.

Events DC

The Washington Convention and Sports Authority (trading as Events DC) is an independent authority of District government. Events DC adopts an operating and capital budget approved by its Board of Directors in February of each year for the subsequent fiscal year. The budget is reviewed and adjusted, if necessary, and the Board approves changes. After approval by the Board of Directors, the Authority is required to submit its annual operating and capital budgets to the Mayor and Council of the District of Columbia to be included in the District's budgets sent to Congress for approval.⁷ Events DC is not required to return any surplus revenue to the District. Events DC is responsible for the operations and management of RFK and the surrounding property: the RFK Festival Grounds, the Skate Park at RFK Stadium, the Fields at RFK Campus, and Gateway DC Pavilion. The District Department of General Services (DGS) maintains the Stadium and the Armory based on the Memorandum of Understanding (MOU) signed with Events DC.⁸ Events DC is open to a new NFL stadium on the RFK Campus and has also suggested building a new arena there to replace the Capital One Arena. A study commissioned by Events DC recommended a 47,000 square-foot food market hall and a 350,000 square-foot indoor sports complex for indoor lacrosse, paintball, bowling, go-karting, video-gaming, trampolines and batting cages.⁹

On April 4, 2016, Events DC set out its plans for the RFK Campus at a public meeting: Near-term - over a 2-5 year period: •Demolish RFK

⁵ Executive Summary, Final Environmental Impact Statement, Vol. 1 for the Construction and Operation of a Proposed Stadium, Washington, D.C., (1993). (FEIS RFK 1993). iv, vi. Events DC Venue Rental Information, RFK Campus (2012).

⁶ RFK FEIS, Executive Summary, iii.

⁷ Events DC financial statements September 30, 2021, and 2020, p. 15.

⁸ Events DC is also responsible for the Convention Center, Nationals Park, St. Elizabeth's Entertainment and Sports Arena, Carnegie Library, and the non-military portions of the Armory. ⁹ Jonathan O'Connell, "Half billion-dollar plans for RFK Stadium Site include sports center, market, RFK memorial," *Washington Post*, 5 Jan. 2017.

• Convert much of the asphalt parking to create over 200,000 sf of multipurpose outdoor playing fields (youth soccer, baseball, regulation soccer, and lacrosse fields, together with a 2,900 sf support building and adjacent playgrounds and picnic areas. This would increase the green space by 240%. [This became the Fields at RFK Campus, three playing fields in the old parking lot 7.] Construct 6,800 space- underground "structured" multi-level enclosed parking garage and reconfigure the reduced surface parking.

• Site development, to include parks, trails, utilities, etc.

• Convert the area under the elevated Metro tracks into a 47,000 square foot Market Hall for fresh food and groceries, a one-story building for prepared food, adjacent Farmers Market, with the goal of creating a complex similar to Pike's Place.

• Build a 350,000sf enclosed recreation complex for indoor basketball, soccer, go-karting for residents and visitors (this is the largest part of the estimated costs at \$228millin).

• Build three pedestrian/bike bridges connecting the RFK complex to Kingman Island, Heritage Island, and River Terrace.

• Create a 10,000sf interactive memorial dedicated to RFK (a member of the Kennedy family was present and spoke to endorse the concept).

The projected cost of the near-term redevelopment is \$489 million, with 49% paid by Events DC DC, 34% through contributions and 17% from DC for roads and infrastructure.¹⁰

Long-term – over the next 10 years:

Construct a building for "cultural uses" (size, cost and cost responsibility not specified) and pursue one of three options:

1. Construct a 20,000-seat arena for professional basketball, ice hockey, and other events (capable of replacing Verizon Center [now the Capital One Arena]). Estimate of cost and responsibility for cost not specified

2. Construct new NFL Stadium. Cost to be borne by the NFL/Redskins.

3. No "anchor" professional sports facility, but apparently the cultural building would be constructed.¹¹

II. Planning context

Anacostia Waterfront Initiative

In 2003 the District and 19 regional and Federal agencies organized the Anacostia Waterfront Initiative (AWI), a multi-year plan for the transformation of the Anacostia waterfront, to restore the Anacostia River's water quality and to create a "River Park" system of interconnecting waterfront parks, linked by the Anacostia Riverwalk Trail. ¹²

¹⁰ Tom Sherwood has a photo of the budget in his NBC article:

http://www.nbcwashington.com/blogs/first-read-dmv/489-Million-Redevelopment-Proposal-for-RFK-Stadium-Campus-Includes-Sports-and-Rec-Center-Fields-Food-Hall-409851815.html:

¹¹ Meeting notes taken by Monte Edwards.

¹² Overview of AWI, About AWI (anacostiawaterfront.org), Internet; accessed 22 Oct. 2023.

National Capital Planning Commission

In 2006 NCPC described the potential of the RFK Campus:

The Robert F. Kennedy (RFK) Memorial Stadium site, located on East Capitol Street along the banks of the Anacostia River, has long been considered a significant location. The site serves as the eastern gateway to the city's monumental core and is a direct link between the Capitol Hill neighborhood and the Anacostia River's western banks. Redevelopment of the RFK site presents an opportunity for new cultural and commemorative uses to attract visitors, but the site also presents an opportunity to address the recreational needs of local residents. NCPC envisions a mixture of residential and neighborhood commercial development in this area of the city that is ripe for revitalization.¹³

<u>Anacostia Park</u>

The RFK Campus, 190 acres, is located in Northeast and Southeast Washington. The stadium occupies 11.60 acres. Office of Planning has not identified any historic resources on the RFK Campus.¹⁴

The RFK Campus is a part of the Anacostia Waterfront, (that is over 1,800 acres on both sides of the Anacostia River). Both the *Parks and Open Space* Element of the federal elements of the Comprehensive Plan (2018) and *The Anacostia Waterfront Framework Plan* (2003) created a vision for transforming the Anacostia River and the lands around it from one of the most polluted rivers in the nation into a model destination for environmental education, sustainability and recreational use in a network of distinctive green parks, varied maritime activities, connecting neighborhoods to the river. Water quality has improved since 2018. A key part of the vision is to create a "RiverPark" system of interconnecting waterfront parks linked by the Anacostia Riverwalk Trail connecting residents, visitors and communities to the river, to each other, and to recreational and commercial destinations.¹⁵

The park is composed of natural areas, managed waterfront areas, and public recreation facilities. The management zones are: natural resources, the Langston Golf Course, organized sport and recreation, community activities and special events, park administration and operations, and special uses (including the RFK Campus). The Anacostia Park's mission statement is:

¹³ NCPC, *RFK Stadium Site Redevelopment Study*, (2006), 3.

¹⁴ Propertyquest, 2400 East Capitol Street, NE.

¹⁵ The Anacostia Riverwalk Trail is a 20-mile trail on both sides of the Anacostia River that is a recreational amenity and represents a key component of the Anacostia Waterfront Initiative, connecting residents, visitors and communities to the river, to each other, and to recreational and commercial destinations. The land is owned by NPS, the Anacostia Waterfront Trail was constructed by and is maintained by DDOT.

Anacostia Park, which includes the Kenilworth Park and Aquatic Gardens, preserves forests and contributes to the protection of the water quality of the Anacostia River, protects historic, scenic, and natural resources and values, and provides high quality waterfront recreation opportunities for the local community and the visiting public."

Much of this buffer has been set aside and reforested with native trees and shrubs. The buffer is intended to filter storm water prior to its discharge into the river and to maintain a visually pleasing park edge along the shore. A basic element in achieving this plan is to allow no development within 600 feet of the Anacostia River shoreline, including on the RFK Campus. The November 12, 2017, National Park Service's "Anacostia Park Management Plan Environmental Assessment" would allow new visitor access points to the Anacostia waterfront, including roads, trails, and park entrances. This access should not be physically or visually obstructed by development within 600 feet of the shoreline. 600 feet is approximately the size of a large city block, including the yard, sidewalk and roadway. Public access to the river for boating would be enhanced by providing boat launches, boat tie-ups, and sites potentially supporting concessioner-provided boat rental open to the public. Anacostia Management Plan, p. 152.

The Anacostia Riverwalk Trail, including the section on the west bank of the river, offers important benefits. Key elements of the project include shared-use paths and educational signage, enhanced trail viewsheds to bring users closer to the water's edge and minimized impacts of paving or other trail infrastructure on the natural environment. Anacostia Management Plan, p. 42.

The RFK Campus is unzoned, with the exception of the Playing Fields and accessory structures (visitor center, storage building and restroom facilities).¹⁶

The Comprehensive Plan's Future Land Use Map (FLUM) guides the Zoning Commission when they make zoning decisions, including what the appropriate zone is for a parcel. The FLUM shows the RFK Campus as park and recreational space. If a decision was made to redevelop the RFK Campus with private development, housing, and retail this can only be done after FLUM is changed to allow housing and retail at some density level. The Zoning Commission would then hear a request from property owner or OP to zone the land following the FLUM so it could be developed. Arguably District government could put anything there that meets the definition of a local public facility if the feds give them lease or sell it. Public facilities include a stadium, fire station, library, school, shelter, etc. Any facility owned or operated by District government might fit the bill.

The FLUM will not be changed by Council until the Comprehensive Plan rewrite in 2025-26.

¹⁶ NCPC, *RFK Stadium Site Redevelopment Study*, (2006), 4. ZC Case No. 18-04 Text Amendment for RFK Playing Fields, amending zoning regulations chapter 2, 209.2.

III. Current Uses

Stadium

The existing stadium is being demolished.

Fields at RFK Campus

Fields at RFK Campus (formerly Lot 7¹⁷), opening in 2019, has three synthetic turf multi-use playing fields on 27 acres, for soccer, baseball, softball, lacrosse, and kickball. Figures 1, 2. In spring 2023, More than 100,000 people visited the Fields, during 5,000 hours of permitted (i.e., reserved) playing time and 1,000 hours of community open play. ¹⁸

Organizations operating summer camps may apply to use the Fields. Priority is given to organizations serving youth in zip codes 20002, 200023, 20019 and 20020.¹⁹

The Celebration Pavilion near Field 2 is a covered, paved outdoor space of more than 3,000 square feet that can be rented on an hourly basis for parties, meetings, classes, and other social/cultural events.²⁰ The Playground and Picnic Area is available for small parties to rent.

Skate Park at RFK Stadium

The Skate Park, over 15,000 square feet, opened in 2011. It was designed by professional skater Geoff Rowley and California Skateparks. DC's Freedom Plaza was one of the inspirations for the design.²¹

Pop-up disc golf

The pop-up disc golf on the Oklahoma Avenue lawn at the RFK Campus, is the District's free, first and only disc golf course. Disc golf is much like golf, with players trying to reach the hole ("basket") in the fewest strokes possible. The stroke is a throw with a modified frisbee.²²

Festival Grounds at RFK Campus

80-acre venue for concerts, other outdoor entertainment and Farmers' Market.²³

Parking lots

In 2012 (before the Playing Fields were established), Events DC advertised the events space at RFK Campus, featuring :

- more than 3 million square feet of paved parking lot space,
- parking for over 10,000 cars, and
- a 1.7-mile regulation Grand Prix race course. (later disassembled). ²⁴

¹⁷ Lot 7 occupied 24.9 acres (1,082,573 square feet). Events DC Rental Information (2012).

¹⁸ Events DC, News, Mayor Bowser And Events DC Celebrate The Grand Opening Of The Fields At RFK Campus As Part Of The Reimagination Of The 190-Acre RFK Campus, 8 July 2019. RFK Fields — CRYSP DC

¹⁹ Email from the CRYSP DC Team, 17 Nov. 2023.

²⁰Facilities | Events DC

²¹ Events DC.

²² eventsdc.com/news/disc-golf-course-now-open-rfk-campus

²³ eventsdc.com/venue

²⁴ Events DC Venue Rental Information, RFK Campus (2012), 6. Lot 7, listed at 1,082,573 square feet (24.9 acres) and is included in the 3 million square feet of parking. In 2018, Lot 7

Flood Plain/Metrorail

- The existing stadium playing field is approximately 10 feet (3.0 m) above sea level. Substantial areas of the RFK campus are in the 500-year flood plain.²⁵ Figure 5. Building Permits are required for new construction or development in the Special Flood Hazard Areas (SFHA), which must comply with the Title 12 DCMR DC Construction Codes, Development is defined as any manmade change to improved or unimproved real estate, including but not limited to buildings or other structures, streets and other paving, utilities, filling, grading, excavation, mining, dredging, drilling operations, storage of equipment or materials, and the subdivision of land. It includes interior work such as replacement of mechanical, electrical, and plumbing components. Floodplain development is regulated to protect life, safety, and property; to protect the important environmental functions of floodplains; and to ensure the District's continued eligibility for federally subsidized flood insurance and disaster relief through participation in the National Flood Insurance Program (NFIP). Nationwide, buildings that are constructed in agreement with NFIP building standards experience about 80% less damage annually than those that do not meet the standards. ²⁶
- The elevated Metrorail line bisects the northern portion of the RFK Campus, presenting a height barrier for development plus visual impact and noise. ²⁷

IV. District's Recreation Needs, Current and Future

Playing fields at RFK Campus help to meet the District's need for additional active recreation space.

The Comprehensive Plan (2021), Ch. 8, Parks, Recreation and Open Space Element, stresses the need for additional active parkland:

PROS-1.2 Closing the Gaps. At first glance, Washington, DC appears to have a more than adequate supply of parkland. There are 12.6 acres of parks per 1,000 residents, compared to 7.9 acres per 1,000 in Baltimore, 6.9 acres per 1,000 in Philadelphia, and 7.7 acres per 1,000 in Boston. However, most of the District's parkland consists of passively maintained federally owned natural resource areas. Neighborhood and community parkland is much more limited and amounts to less than one acre per 1,000 residents typically set standards of four or five acres of active parkland per 1,000 residents. 805.1 [emphasis added]

was converted to the Fields at RFK Campus, with synthetic turf over the existing asphalt. <u>https://eventsdc.com/venue/fields-rfk-campus</u> Thus, the 3 million square feet of asphalt (a portion used for parking and a portion covered with synthetic turf) remains.

²⁵ Propertyquest, 2400 East Capitol Street, NE.

²⁶ www.doee.dc.gov.

²⁷ "Robert F. Kennedy Stadium," Wikipedia. Internet; accessed 9 Aug. 2023. NCPC, *RFK Stadium Site Redevelopment Study*, (2006), 6.

PROS-1.4 Meeting the Needs of a Growing District. The addition of thousands of new jobs and households over the next 20 years will increase demand for programmed parks, open space, and recreational activities. Existing parks will accommodate more users, particularly in neighborhoods where high-density infill development is planned. New parks will be needed to serve new and growing communities. Given the developed character of the District, finding land for such parks will be difficult and expensive. The District must seize opportunities for parkland dedication on its largest redevelopment sites and take steps now to promote park provision elsewhere as Washington, DC grows. A 2014 DPR study estimated that 180 new acres of parkland will be needed to meet demands associated with increased population over the next 15-20 years. The Department of Recreation and Parks Master Plan (2014) states that an additional 140 acres of parkland is already needed, and the District projects that by 2045 the city's population will increase by 360,000 people to 986,000. Even more parkland, including playing fields, will be needed in the future. [current use of playing fields] RFK's 190 acres, now dedicated to recreation, will help to meet this need.

Policy PROS-1.4.6: Park Amenities on NPS Land. Where consistent with other policies in the Comprehensive Plan and NPS plans, and supported by nearby neighborhoods and needs assessments, encourage federal government projects that would provide new recreational amenities—such as soccer fields, picnic areas, and trails—that increase equitable District resident access to national parkland. 807.11

Capital Space Partners, a study conducted by the National Park Service, National Capital Planning Commission, and District government found that:

Washington, like many cities and suburban communities across the country, faces pressure to increase the number of playfields for team sports, including soccer, football, and baseball. The growing population in Washington, along with the demands for active recreation spaces, is exerting pressure on the existing fields. As such, meeting needs for active recreational fields in Washington's urban environment is becoming challenging. ... Locating new fields is both difficult and expensive because of the limited amount of available land.²⁸

The Comprehensive Plan advocates "complet[ing] implementation of the CapitalSpace Initiative, which provides a coordinated strategy for open space and park management between the District and federal government. 817.1. Comprehensive Plan Action PROS-4.1.A.

Capital Space cites a growing population and with it, a growing need for recreational areas. p. 29. When compared to where Washington's parks and open space are located, population growth will put pressure on existing park resources." Office of Planning projects population growth from 672,228 (2015) to 800,000 in 2030 and 987,200 in 2045. We would note as well that a commitment to sports fields would be particularly attractive to young families with

²⁸ Capital Space Partners, (2017), p. 64. Capital Space (2010). <u>www.ncpc.gov</u>

children. In conjunction with the NPS's plans for balanced management of Anacostia and Kenilworth Parks, HR 3373 will contribute significantly to the emergence of the Anacostia corridor, on both sides of the river, as a vibrant and diverse community based on the unique resource of a fully accessible riverfront in the heart of the nation's capital. With the new soccer stadium on Buzzard Point, Nationals Park on the lower Anacostia, Kingman Island, the Arboretum, Kenilworth Aquatic Gardens, the arc of potential playing fields along its entire length, accessibility for marinas and water sports, and hiking and biking trails paralleling the river, the Anacostia promises to emerge as one of the nation's finest urban waterfronts



and a youth sports hub for the entire region. Appropriate redevelopment of the RFK site for youth sports purposes – a comparatively large site with Metrorail access precisely in the center of the envisioned Anacostia sports and park is essential to fulfilling this promise.

Figure 6. NCPC, *RFK Stadium Site Redevelopment Study*, (2006), 12 showing 80 acres of parkland. The approximate location of the Fields at RFK Campus, 27 acres, opening in 2018, are in **red**.

The Comprehensive Plan (2021), Ch. 8, Parks, Recreation and Open Space Element, *Action* PROS-3.2.A: Anacostia River Park Improvements, provides:

Work collaboratively with the federal government, the private sector, and community and nonprofit groups to implement the open space improvement plans of the AWI [Anacostia Watershed Initiative].

New parks, including recreational fields, around RFK Stadium.

The District has begun to fulfill RFK's potential for additional active recreation. In its 2006 study, NCPC advocated establishing playing fields on 80 acres adjacent to the waterfront, with The Fields at RFK Campus, opening in 2018, three playing fields on 27 acres, with 3,000 square

foot events pavilion, and 300 parking spaces, begin to fulfill NCPC's recommendation.²⁹ An issue in the future of the RFK Campus is the effect of parking for a new stadium on current or future playing fields for children's sports.

V. Earlier Plans

NCPC staff issued its *RFK Stadium Site Redevelopment Study* in 2006. Staff assumed the stadium would be demolished and replaced by "an environmentally friendly gateway into the monumental core. It should include a large waterfront park, with recreational fields and open space, augmented by commemorative works and connected to the surrounding neighborhoods by pedestrian and bicycle paths."

VI. Affordable Housing on the RFK Cam

The RFK Campus provides opportunities for meeting the District's affordable housing goals. The Comprehensive Plan, Homes for an Inclusive city, provides:

Policy H-1.1.2: Production Incentives

Provide suitable regulatory, tax, and financing incentives to meet housing production goals, prioritizing affordable housing production in support of the targets in Policy H-1.2.2. These incentives should continue to include zoning regulations that permit greater building area for commercial projects that include housing than for those that do not, and relaxation of height and density limits near transit. Strongly encourage incentives and strategies that result in the production of more deeply affordable housing, such as the use of income averaging across a range of affordable housing income levels. 503.4

Policy H-1.2.2: Production Targets

Consistent with the Comprehensive Housing Strategy, work toward a goal that one-third of the new housing built in Washington, DC from 2018 to 2030, or approximately 20,000 units, should be affordable to persons earning 80 percent or less of the area-wide MFI. In aggregate, the supply of affordable units shall serve low-income households in proportions roughly equivalent to the proportions shown in Figure 5.8: 30 percent at 60 to 80 percent MFI, 30 percent at 30 to 60 percent MFI, and 40 percent at below 30 percent MFI. Set future housing production targets for market rate and affordable housing based on where gaps in supply by income occur and to reflect District goals. These targets shall acknowledge and address racial income disparities, including racially adjusted MFIs,

The RFK Campus has the potential to provide mixed income housing and the most ambitious affordable housing in the city. The District's Comprehensive Plan sets requirements based on income for affordable housing:

- 40 percent of the households will have incomes below 30 percent of MFI
- 30 percent of the households will have incomes between 30 percent and 60 percent FMI., and

²⁹ <u>The Fields at RFK Campus | Events DChttps://eventsdc.com/venue/fields-rfk-campus</u>

• 30 percent of the households will have incomes between 60 percent and 80 percent of FMI.),³⁰

Washington Metropolitan Statistical Area Median Family Income (MFI), was previously referred to as Area Median Income (AMI). The MFI for a household of 4, for 2022-2023 as published by the U.S. Department of Housing and Urban Development (HUD) is \$152,100. ³¹

Townhomes on Capitol Hill, a limited equity co-op, 637 Ellen Wilson Place, SE, could be a model for affordable housing on the RFK Campus.

Each of the 134 units in Townhomes on Capitol Hill is income-restricted:

• 25 percent of the units are for households with incomes up to 25 percent of FMI,

• 25 percent of the units are for households with incomes between 25 percent and 50 percent of FMI

• 50 percent of the units are for households with incomes between 50 percent and 80 percent of FMI.

The District owns the land on which the Townhomes co-op is built and leases it to Townhomes at a nominal cost. The U.S. Department of Housing and Urban Development provided 100 percent of the capital to develop the co-op. The RFK Campus, like Townhomes on Capitol Hill, may soon be located on land long-term leased to the District. It should be possible for the District to sublease the ground to a new limited equity co-op at a nominal cost. Townhomes on Capitol Hill has been completely self-sufficient for over 20-years. The co-op has received no money from the District or the federal government since it began operations. The higher income residents subsidize the lower income residents at the co-op, and the co-op's aggregate income has been adequate for maintenance and operating expenses for over 20 years. The co-op has no debt and also has built up a substantial capital reserve to meet future capital requirements. **The RFK Campus might not only have this kind of cross-subsidization from the affordable housing portion, but might also have the potential for further subsidization from the market rate housing, and mixed use development, which can be a significant source of revenue to subsidize the affordable housing.**

In 2006 NCPC staff recommended mixed use development on 20 acres on the west side of the RFK Campus (terminus of East Capitol Street along 22nd Street between C Street and

31

³⁰ DMPED, INCLUSIONARY ZONING PROGRAM 2022-2023 MAXIMUM INCOME, RENT AND PURCHASE PRICE SCHEDULE Effective July 1, 2022 Washington Metropolitan Statistical Area Median Family Income (MFI), was previously referred to as Area Median Income (AMI).

https://www.huduser.gov/portal/datasets/il/il2023/2023summary.odn?STATES=11.0&INPUTN AME=METRO47900M47900*1100199999%2BDistrict+of+Columbia&statelist=&stname=Dist rict+of+Columbia&wherefrom=%24wherefrom%24&statefp=11&year=2023&ne_flag=&selecti on_type=count

Constitution Avenue). Figure 6. This area should feature signature architecture and mixed use development of 500,000 to 700,000 square feet on each of the two blocks at the terminus of East Capitol Street, and 100,000 to 300,000 square feet on each of the two smaller blocks on the north side of the site. NCPC recommended building heights transitioning from the adjacent rowhouse neighborhood and Hill East (Reservation 13). NCPC, *RFK Stadium Site Redevelopment Study*, (2006), Figure 6. showing 20 acres of mixed use development.

VII. Possible New Football Stadium on the RFK Campus

To bring the Commanders back to DC would require a stadium similar in size to FedEx Field, (football capacity 82,000 in 2021) compared to RFK's football capacity of 56,000. FedEx has over 5.6 million square feet (129 acres) of parking, and a new Commanders stadium at the RFK Campus would likely require comparable parking acreage. Football requires acres of surface parking for vehicles and tailgating: "Tailgating involves the use of grills, coolers, chairs, tables or other devices that could inhibit pedestrian passage or vehicular access. Activities that do not use any additional space beyond your parking space are permitted. Port-o-lets are provided throughout the parking lot." Of the 29 NFL stadiums listed on Figure 7, all allow tailgating. ³²

The seating capacity of NFL stadiums ranges between 61,500 and 80,000; the median is 68,740. FedEx Field is 67,717. Figure 7. (These stadiums were built at different times, which may have affected decisions on seating capacity.) For example, in 1993 Jack Kent Cooke proposed a football stadium at RFK with a seating capacity of 78,600 and parking for up to 18,500 vehicles and 200 busses.³³

Stadiums built between the 1970s and 2010s had substantial public subsidies.³⁴

³² <u>www.commanders.com/stadium/tailgate</u>. Internet; accessed 1 Aug. 2023. The only partial exception is Caesar's Superdome in New Orleans, where tailgating is allowed on two surface lots, but not in five parking garages.

³³ FEIS, Vol. 1, Executive Summary. <u>List of American football stadiums by capacity</u> - <u>Wikipedia. Internet; accessed 19 Aug. 2023.</u>

³⁴ This data is for stadiums generally. John Charles Bradbury, Dennis Coates, Brad R. Humphreys, "The Impact of Professional Sports Franchises and Venues on Local Economies: A Comprehensive Survey," *Journal of Economic Surveys* (2022), 6.

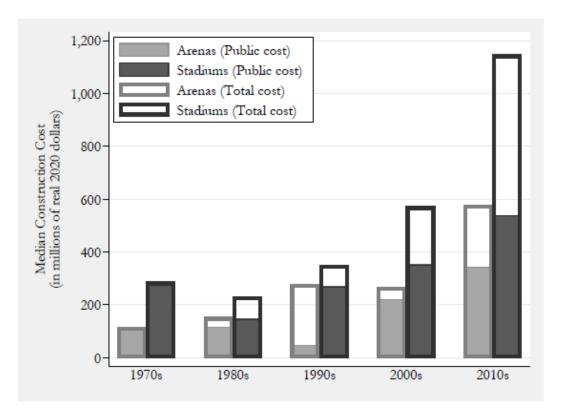


FIGURE 3. Stadium and Arena Construction Costs by Decade (1970–2019). Sources: 1 2010, Long (2013), pp. 19–29; 2011–2019, compiled from media reports.

Public financing may take several forms, including revenue-sharing agreements, government tax subsidies or incentives "to attract investment, stimulating growth and generating tax revenues", improved infrastructure.³⁵

Several effects are cited for public financing of new football stadiums:

- 1. Employment opportunities increase during construction.
- 2. Additional jobs are generated from new spending on stadium events.
- 3. Stadiums generate a multiplier effect from increased local spending (increased local income causes still more local spending and job creation) so the public investment yields economic benefits to the community equaling or exceeding the public investment.
- 4. Stadiums foster economic development in the surrounding area.
- 5. Higher property values near a new stadium, increasing real estate tax revenues.
- 6. Public good amenities other than economic benefits.
- 7. Negative externalities (crime, health, traffic, pollution)

³⁵ Meagan Flynn, Michael Brice-Saddler, "D.C. explores funding for a new stadium," *Washington Post*, 4 Aug. 2023, B-1.

VIII. Summary of Economists' Research

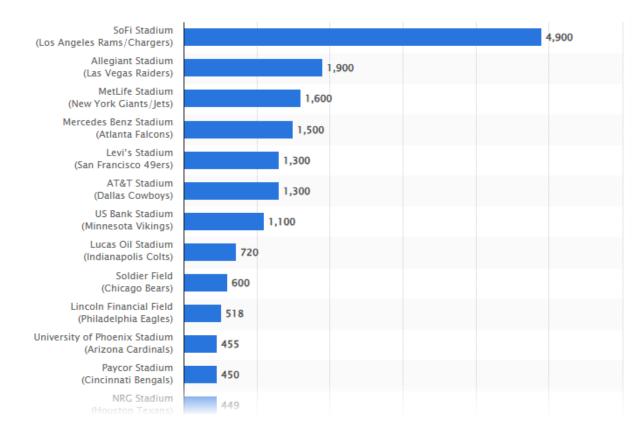
In 2022 John Charles Bradbury, Dennis Coates, Brad R. Humphreys, summarized decades of economic research on professional sports stadiums. "The Impact of Professional Sports Franchises and Venues on Local Economies: A Comprehensive Survey," *Journal of Economic Surveys* (2022). ("Bradbury"). This paper refers to their research.³⁶ Most economists agree that public investments in stadiums generate little or no return to taxpayers. "A new sports facility has an extremely small (perhaps even negative) effect on overall economic activity and employment." Spending on sports events displaces other consumer spending on entertainment and generates no net new spending. Nevertheless, a stadium may produce economic benefits to the host neighborhoods or business/entertainment districts, or other intangible benefits that raise the welfare of local residents.³⁷

1. Construction jobs

A typical new NFL stadium costs \$1.2 billion. Of this total cost an average of \$600 million is from public funds. Construction costs of NFL stadiums in the United States as of January 2023.

³⁶ See also, John Charles Bradbury1, Dennis Coates2, and Brad R. Humphreys, "Public Policy Toward Professional Sports Stadiums: A Review," (2023).

³⁷ John Charles Bradbury, Dennis Coates, Brad R. Humphreys, "The Impact of Professional Sports Franchises and Venues on Local Economies: A Comprehensive Survey," *Journal of Economic Surveys* (2022), 1-2, 7, 9. Andrew Zimbalist, Roger G. Noll, "Sport, Jobs, & Taxes: Are New Stadiums Worth Cost?" <u>www.brookings.edu/articles/sports</u> 1997.



(in millions of U.S. dollars) are shown below. ³⁸

Building a new stadium generates construction jobs. For example, the Los Angeles Rams stadium (opened in 2020) was expected to create 3,500 construction jobs, plus 10,000 more jobs during construction, and afterwards, through a multiplier effect increasing local spending and jobs. ³⁹

³⁸ <u>www.Statista.com</u>. Internet. Accessed 23 Aug. 2023

³⁹ "The Economics of Sports Stadiums: Does public financing of sports stadiums create local economic growth, or just help billionaires improve their profit margin?" *Berkeley Economic Review*, BER staff (2019). <u>https://econreview.berkeley.edu</u> articles. Internet; accessed 14 Aug. 2023. Cooke's 1993 stadium proposal estimated 1,500 construction-related jobs over 23 months and approximately 1,815 additional jobs created by "economic multipliers." The estimated cost for Cooke's stadium was \$163 million (not including removal of contaminated soil) (1993 dollars). Infrastructure costs, payable by the District were \$46 million in revenue bonds, payable by interest on the bonds. RFK FEIS, Executive Summary, v, vi.

2. Additional jobs from new spending at stadium events

After the stadium opens, employment opportunities are seasonal and part-time, not adequate to support a family. An exception would be security guards and groundskeepers, generally not high-paying positions.

3. Return on public investment/multiplier effect

A key element in studying the effects of a new stadium is the size of the sports sector relative to the District's total GDP. As a sector, arts, entertainment, recreation, accommodations, and food services (which would include sports entertainment) comprises 4.21 percent of the District's GPD. Some economists argue that this sector is so small that that a boost here cannot produce significant economic benefits.⁴⁰

Government and government enterprises 40.54 32.99 Professional and business services Finance, insurance, real estate, rental, 16.15 and leasing Information 12.81 Educational services, health care, and 9.9 social assistance ndustry Arts, entertainment, recreation, 4.21 accommodation, and food services Wholesale trade 1.43 Utilities 1.33 Retail trade 1.26 Construction 1.12 Transportation and warehousing 0.39 0 10 20 40 50 30 Real value added in billion chained (2012) U.S. dollars

Real value added to the gross domestic product of the District of Columbia in 2022, by industry:

 ⁴⁰ Bradbury, 9. Statista, <u>GDP by industry Washington D.C. 2022</u> | Internet; accessed 11 Sept. 2023.

Studies on the effects of lockouts in professional sports and playoff appearances suggest that these events, positive and negative, did not cause significant effects on per capita income in host cities. ⁴¹

A 2019 study by the Federal Reserve Bank of St. Louis concludes that the average stadium generates \$145 million per year, but little or no portion of that revenue flows to the local community. A 2021 study of the proposed new Buffalo Bills stadium found that of more than \$25 million the team generated in local taxes, \$19.5 million was state income taxes paid by players, coaches and staff.⁴² District government could expect to collect a far lower percentage of state/local income taxes from Commanders' players, coaches, and staff because many of them would live outside the District.

In addition, public funding for a new stadium imposes opportunity costs: funds spent for a stadium are unavailable for spending on infrastructure, education, and public safety, all urgent needs in the District.

Councilmember Charles Allen opposes a new football stadium on the RFK Campus:

"[A]n NFL stadium is a uniquely poor investment of our tax dollars. Game days are a thrill, but a stadium requires a lot of land, especially for parking, and it sits empty most days of the year outside of the dozen or so home games and special events. This means not a lot of economic activity. I'd rather the District target its investments toward our current teams, including keeping the Wizards and Capitals at Capital One Arena in downtown -- a much better investment in a neighborhood that's far more successful on every level, including jobs, tax revenue, days and nights activated, and more."⁴³

4. Fostering economic development

In 2021, Mayor Bowser urged that the RFK Campus be developed for housing and retail.⁴⁴ Councilmember McDuffie states that:

"Benefits of a new football stadium include a new mixed use entertainment district, affordable housing and economic opportunities for small business, residents and workers.

⁴¹ Bradbury, 11.

⁴² "The Economics of Sports Stadiums: Does public financing of sports stadiums create local economic growth, or just help billionaires improve their profit margin?" *Berkeley Economic Review*, BER staff (2019). <u>https://econreview.berkeley.edu</u> articles. Internet; accessed 14 Aug. 2023. "Little Economic Benefit from new stadium," (2021). Investigative Post, wgrz.com. Internet, accessed 25 Aug. 2023. Neil DeMause, "Bills stadium facing \$300m in overruns, team owners' costs may actually exceed \$0 now," (2023), <u>www.Fieldofschemes.com</u>. Internet; accessed 25 Aug. 2023. Bradbury, 9.

⁴³ Charles Allen, "Yes, D.C. needs a stadium deal. But not at RFK." *Washington Post*, 2 Aug. 2023.

⁴⁴ Greg Leroy, Good Jobs First, quoted in "Little Economic Benefit from new stadium," (2021). Investigative Post, wgrz.com.

For example, redevelopment around Nationals Park and Audi Field between 2008 and 2018 helped to generate more than \$125 million in tax revenue each year, available to fund schools and infrastructure."⁴⁵ Note that in 2021 Mayor Bowser urged that the RFK Campus be developed for housing and retail. ⁴⁶ See Appendix A for data on Nationals Park and Audi Field.

But most economists doubt that there is any benefit to a "stadium district."

Policymakers should remain skeptical of projections of large economic benefits from stadium-districts, which supposedly defy the abundance of historical evidence that stadiums have limited economic benefits. Economists have established that stadiums are poor drivers of economic development because most stadium-related spending is reallocated local spending. The addition of an ancillary development does not change the underlying economics that spending in and around the stadium represents displaced local spending from elsewhere in the community, and thus represents a zero-sum gain to the jurisdiction's economy.⁴⁷

Some studies show small increases in employment for eating and drinking businesses within one mile of a stadium.⁴⁸

While hotel occupancy near stadiums generally increases during games, the impact is too uncertain to support relying on hotel taxes to pay for stadiums. The authors note that hotel chains generally base decisions on new hotels on year-round demand.⁴⁹

In 2019 the average NFL team drew approximately 530,000 fans to home games. But spread over one year, this attendance equals that of grocery store shoppers.⁵⁰ Non-sports events like concerts may add to the attendance total but, as discussed below, perhaps at the cost of cannibalizing attendance at concerts at Audi Field and Nationals Park.

Bradbury et al. concluded:

In general, when positive effects exist, they occur very close to venues, withing one or two miles and in sectors closely related to sports consumption (e.g., food and beverage).⁵¹

5. Increase in residential property values.

A 2012 study of residential values near stadiums and arenas 1990 and 2000 in metropolitan areas found that;

 ⁴⁵ Councilmember McDuffie, "Bring the Commanders Home," *Washington Post*, 18 May 2023.
 ⁴⁶ See footnote 43.

⁴⁷ Robert W. Baumann, John Charles Bradbury, "Estimating the Fiscal Impact of Stadium Developments: Evaluating a Pro Forma Mode;" (2023).

⁴⁸ Bradbury 13, 16, 18.

⁴⁹ Bradbury, 16-18.

⁵⁰ The Center or Economic Accountability, "Stadium Subsidies", economic

accountability.org/ger-informed/stadium-subsidies. (2020). Internet; accessed 24 Aug. 2023

⁵¹ Bradbury, 18.

The estimates indicate a positive association between sport facility proximity and housing values for all venues. This finding is consistent with positive stadium spillovers, but it does not necessarily reflect a causal relationship. It is unclear if teams tended to locate sports stadiums in areas with high residential property values, or if stadiums caused property values to increase. Assuming sports venues are entirely responsible for property value increases, reason extrapolations from median value generated an estimate of \$254 million in added property taxes, which falls below the \$339 million in construction costs; thus even if the sports venue generated positive residential spillovers, increased property values tended not to be sufficient to cover their costs.

FedEx Field in Landover, Md. was associated with a small increase in property values near the stadium. $^{\rm 52}$

A 2022 study found that when the NFL's Raiders moved to Las Vegas, less expensive houses nearby increased in value, but more expensive houses lost value, and houses closer to the stadium increased in value and those further away decreased in value.⁵³

6. Public good amenities other than economic benefits.

Looking beyond economic effects, a stadium may provide important intangible benefits such as enhanced civic pride.⁵⁴ The contingent valuation method (CVM) measures "preferences for nonpriced goods [including the presence of sports teams] in hypothetical settings." Survey respondents were asked how/whether they valued an asset they may not use or experience, e.g., a wilderness area or a stadium. The nonuse value is quantified and compared to the public cost of a new stadium. For example, in 2007 the nonuse value of the Jacksonville Jaguars was found to be less than the estimated public subsidy. CVM analyses overall find non-use values to be 20 percent of stadium costs. Some economists contend that CVM is unreliable.⁵⁵

In addition, economist Michael Greenstone, responding to a 2017 survey of 42 economists, dissented from the majority's view (80%) that public subsidies likely exceed public benefits of stadiums, arguing that "sports teams generate value that they cannot capture through tixs/tv." For example, Chicago residents benefited when the Cubs won the World Series. ⁵⁶

⁵² Increased housing values may be viewed as beneficial or detrimental, depending on policy goals. C. Tu, "How does a new sports stadium affect housing values? The case of FedEx Field." *Land Economics*, 81(3), 379-395. (2005), cited in Bradbury, "The Impact of sports stadiums on localized commercial activity: Evidence from a Business Improvement District," (2022), ideas.repec.org. Internet; accessed 25 Aug. 2023. Bradbury, 22.

⁵³ Bradbury, 25.

⁵⁴ Wessmer et al, Intangible Social Benefits.

⁵⁵ Bradbury, 19-21.

⁵⁶ 2017 survey conducted by Chicago Booth's Initiative on Global Markets, 42 members, 30 respondents. Bradbury, 7.

7. Negative externalities (crime, health, traffic, pollution)

Sports events bring people to stadiums. The estimated cost of crime for NFL games in 2016 was \$700,000. Relatedly, more police are needed before, during and after NFL games. While the RFK Campus is served by MetroRail and Metrobus, some people attending games will drive. As of 1993, RFK Campus had parking for 18,500 vehicles and 200 busses. The FEIS projected that Cooke's 78,600-seat stadium would have attracted 4,000 additional vehicles for a sold-out game.⁵⁷ Friends of Kingman Park Civic Association sponsored a survey of future uses of the RFK Campus. As of October 18, 2023, 67 percent of the more than 2,000 responses opposed a new stadium. Eighty percent wanted a parks and nature complex, followed by a recreation and sports complex for all ages.⁵⁸

Conclusion and further questions

After reviewing studies and theories for public funding of stadiums, Bradbury concludes:

If a credible case for public subsidization of professional sports facilities exists in the research literature, it must be made using evidence on the value of quality-of-life spillovers valued through CVM studies, estimates of consumer surplus, increases in property values, and inferred from patterns of voting ... The total estimated value of these intangible benefits across a metropolitan area or region could amount to a relatively large sum, even when compared to the typical subsidy provided for new sports facility construction projects. However, most of these areas of research contain mixed results. The literature on the impact of sports facilities on nearby property values contains no consensus, and some evidence shows property values increase when teams leave an area. While potentially important, the quality and quantity of existing evidence valuing consumer surplus remains poor and dated. Research on referendum voting on sports subsidies also fails to reach a consensus. Furthermore, research identifying positive values associated with intangibles uniformly reports estimated values far below the actual or projected subsidies provided. The case for economic development benefits extending beyond the area immediately surrounding sports stadiums and arenas is tenuous, at best and tangible proximity benefits appear to be small and limited to select complementary industries. No evidence supporting hypothesized long-term positive returns from sports facilities in downtown and metropolitan economies exists. Taken together, the evidence from this large body of research fails to support the existence of a strong, generalizable justification for subsidies. [emphasis added]

⁵⁷ FEIS RFK 1993, i. Serge F. Kovaleski, "Lead at Stadium Site Requires Strong Safety Steps, Report Says," *Washington Post*, 22 Oct. 1993, D1.

⁵⁸ Paul Schwartzman, "As Commanders eye RFK site, neighbors hope team punts," *Washington Post*, 1 Oct. 2023. RFK Future.org "Survey from RFK Future Reveals Overwhelming Opposition to New Stadium at RFK Site, Preference for Alternative Vision." 18 Oct. 2023. <u>www.RFKFuture.org</u>.

Because economists overwhelmingly agree that subsidizing stadiums is a poor use of public funds, the next question is why local governments continue to subsidize new stadiums. Some possible theories are:

- Team owners and hospitality firms benefit directly, but the cost is spread across many taxpayers
- Promotional literature written by outside experts extols large returns through increased economic activity, jobs, and wealth and a growing tax base to pay for the public subsidy.

Wessmer et al. posit 20 questions to evaluate consultants' promotional studies of stadiums.:⁵⁹ These are the questions that need to be asked as a starting point in evaluating the study now being prepared by JLL and the Robert Bobb Group to evaluate the feasibility of building a stadium to attract the Commanders.

Number

Questions

- 1 Does the study adjust for the inappropriateness of counting nonlocal casuals, nonlocal time switchers, and local residents who would have spent regardless? ⁶⁰
- 2 Does the study adjust for the possibility of redistributed labor?
- 3 Does the study adjust for the possibility of import substitution? ⁶¹
- 4 Does the study adjust for the possibility of crowding out? ⁶²
- 5 Does the study adjust expenditure and employment estimates for novelty effects? ⁶³
- 6 Does the study discuss specific types and sources of intangible social benefits? ⁶⁴
- 7 Does the study use a survey of residents to determine the importance of intangible social benefits?
- 8 Does the study use a survey of residents to gauge the importance of a team or an event to the community?

⁵⁹ Robert W. Wessmer, et al. "Suggestions for the Needed Standardization of Determining the Local Economic Impact of Professional Sports," *Economic Development Quarterly*, Vol. 30 Issue 3, Sage Journals (2016). <u>https://doi.org/10.1177/0891242416636</u>

⁶⁰ Time switchers are nonlocal visitors who change their plans in order to attend an event. Casuals are visitors who visit the city for some other reason and decide to attend an event. Wessmer et al., Gross versus Net Benefits.

⁶¹ Import substitution is the possibility that a local sporting event will capture revenue from residents that they would have spent elsewhere, absent the local event. Wessmer et al, Gross versus Net Benefits.

⁶² A mega event like the Superbowl may generate sufficient inconvenience that local residents will temporarily leave. Wessmer et al., Gross versus Net Benefits.

⁶³ New teams or venues may earn higher revenues initially, which may decay over time. Wessmer et al., Gross versus Net Benefits.

⁶⁴ Social benefits include fostering a sense of civic pride, national recognition, bringing people together of all races, genders, or income. Wessmer et al., Intangible Social Benefits.

Number	r Questions			
9	Does the study use a survey of residents to gauge the importance of a team or an event relative to other community goals?			
10	Does the study estimate a specific impact for only the jurisdiction(s) subsidizing the venue/event? ⁶⁵			
11	Does the study use an income multiplier and report its value (of any type)? ⁶⁶			
12	Is the logic of the chosen multiplier clearly stated and reasonably defended?			
13	Does the study incorporate future economic development into its impact estimates?			
14	Are assumptions about the probability of development and magnitude of investment explicit? ⁶⁷			
15	Does the study discuss shifting economic activity within a jurisdiction as a benefit?			
16	Does the study discuss project benefits in the context of public costs?			
17	Does the study discuss capital and ongoing costs such as facility construction, future renovations, land acquisition, infrastructure improvements, municipal services, and transaction costs? ⁶⁸			
18	Does the study calculate expenditure estimates based on different assumptions about the percentage of attendees that are nonlocal casuals, nonlocal time switchers, and local residents?			
19	Does the study calculate expenditure and employment effects with different multipliers?			
20	Does the study calculate real estate development impacts based on different probabilities of development actually occurring and based on different investment levels?			

⁶⁵ The correct geographic area to measure benefits should be limited to the jurisdictional boundaries of the government providing the subsidies. Wessmer et al., Defining the Impact Boundary.

⁶⁶ A stadium's income multiplier effect on the jurisdiction's economic activity is the amount of public investment respent in the same jurisdiction. For example, an income multiplier effect of 2 indicates that every inflow of \$1 of public spending on a stadium results in \$2 of greater personal income earned in the jurisdiction. See also discussion of software programs used to estimate the multiplier effect. Wessmer et al., Multiplier Section.

⁶⁷ Wessmer suggests that only guaranteed unsubsidized real estate development should be counted and determine if real estate development near a stadium is moving development away from other sites in the jurisdiction. Wessmer et al., Real Estate Development Effects.
⁶⁸ Wessmer notes that Sacramento spent \$686,000 on attorneys, consultants, and travel to negotiate a subsidy agreement with an NBA ownership group. (2012). Wessmer et al., Incomplete Cost Inventory.

CONCLUSION

Economists agree (with just a few dissenting outliers) that using public funds to build stadiums is a terrible investment. Promoters of a new NFL stadium in the District have a heavy burden to meet the "this time will be different." On the other hand, the District has compelling needs for additional recreation space and additional affordable housing. Construction of an NFL stadium on the site would prevent using the RFK Campus for playing fields for community sports and for mixed use, with an emphasis on affordable housing. Further, the experience of our City in constructing stadium/s for baseball and soccer has demonstrated the City's inability to negotiate with professional sports authorities, with the result that DC taxpayers, rather than the professional sports teams, have paid the majority of costs, and DC taxpayers have been further disadvantaged by having new questionable taxes imposed (*e.g.*, a gross receipts tax on all DC businesses in the city, in the case of Nationals Park) and having a significant part of the City's borrowing authority committed to financing the stadiums, rather than needed capital projects within the City, as well as deferring needed capital projects (*e.g.*, needed school modernization the case of Audi Field), all as detailed in Appendix A.



Figure 1. The Fields at RFK Campus. Source: Events DC

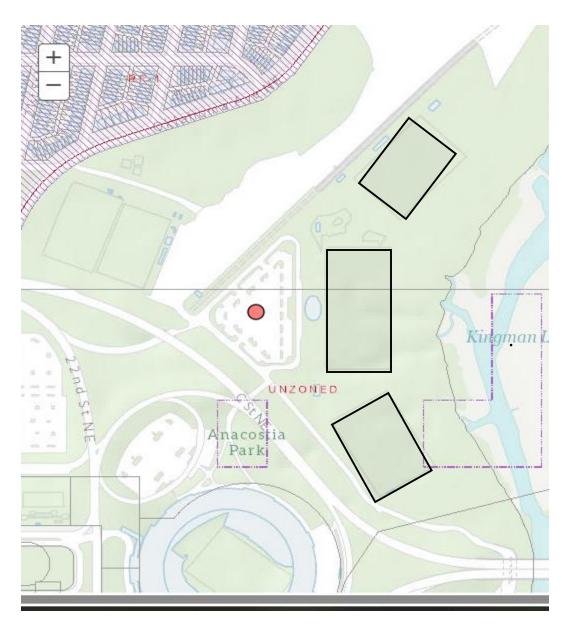


Figure 2. Map of RFK Campus showing stadium and three Playing Fields at RFK Campus. Source: Propertyquest, annotated.

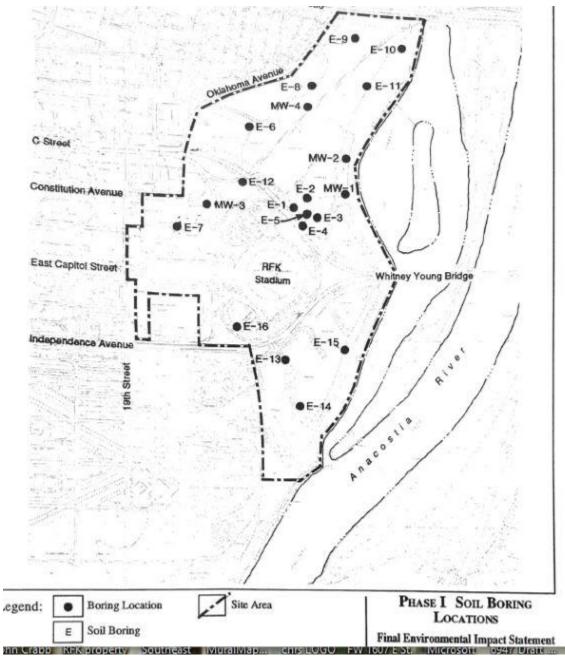
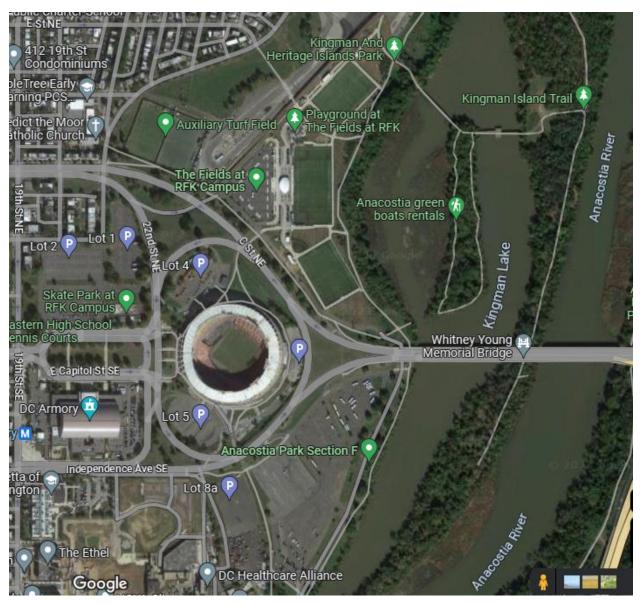


Figure 3. Soil test borings, RFK FEIS (1993), Figure 3.3.7-2. FEIS contains additional maps of borings and test pits.

Figure 4. RFK Stadium Campus, showing Fields at RFK Campus, playground. Kingman Lake is on the right, above the Whitney Young Memorial Bridge. Source: Events DC



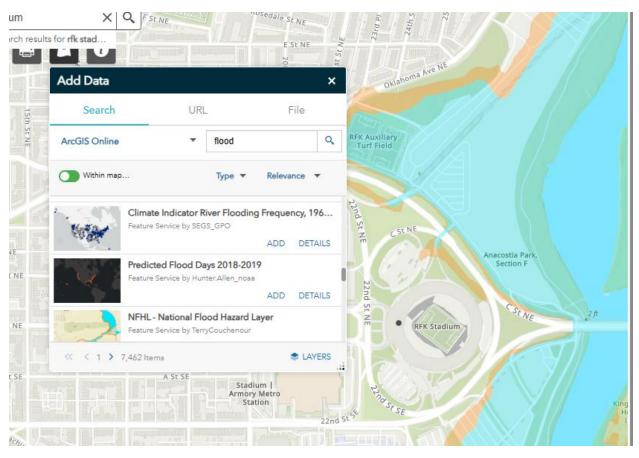


Figure 5. RFK flood map. Source: OCTO



Figure 6. NCPC, RFK Stadium Site Redevelopment Study (2006).

NCPC's vision of East Capitol Street running through a redeveloped RFK Stadium site



NCPC study, 2006

Seating	Stadium name	City	NFL team	Tailgating allowed?
capacity				
82,500	MetLife	E. Rutherford, NJ	NY Jets/NY Giants	Yes
81,441	Lambeau Field	Green Bay, WI	Green Bay Packers	Yes
80,000	AT&T	Arlington, TX	Dallas Cowboys	Yes
76,416	Arrowhead/GEHA	Kansas City, MO	Kansas City Chiefs	Yes
76,125	Empower Field	Denver, CO	Denver Broncos	Yes
<mark>73,208</mark>	Caesar's Superdome	<mark>New Orleans,</mark> LA	New Orleans Saints	Yes on surface parking
				No in parking garages
72,220	NRG	Houston, TX	Houston Texans	Yes
71,608	Highmark	Orchard Park, NY	Buffalo Bills	Yes
71,000	Mercedes Benz	Atlanta, GA	Atlanta Falcons	Yes
70,745	M&T Bank	Baltimore, MD	Baltimore Ravens	Yes
70,240	SoFI	Inglewood, CA	LA Rams /Chargers	Yes
69,796	Lincoln Financial	Philadelphia, PA	Philadelphia Eagles	Yes
69,218	Raymond James	Tampa,FL	Tampa Bay Bucaneers	Yes
69,143	Nissan	Nashville, TN	Tennessee Titans	Yes
68,740	Lumen Field	Seattle, WA	Seattle Seahawks	Yes
68,500	Levi's	San Francisco, CA	San Francisco 49ers	Yes
68,400	ArciSure	Pittsburgh, PA	Pittsburgh Steelers	Yes
67,814	TIAA Bank	Jacksonville, FL	Jacksonville Jaguars	Yes

Table A NFL Stadiums Allowing Tailgating

				Yes
67,717	FedEX Field	Lanover, MD	Washington Commanders	
				Yes
67,431	FirstEnergy	Cleveland, OH	Cleveland Browns	
				Yes
67,000	Lucas Oil	Indianapolis, IN	Indianapolis Colts	
		Minneapolis,		Yes
66,860	U.S. Bank	MN	Minneapolis Vikings	
				Yes
65,878	Gillette	Foxborough, MA	New England Patriots	
				Yes
65,515	Paycor	Cincinnati, OH	Cincinnati Bengals	
				Yes
65,000	Allegiant	Paradise, NV	Las Vegas Raiders	
				Yes
65,000	Ford Field	Detroit, MI	Detroit Lions	
				Yes
64,767	Hard Rock	Miami, FL	Miami Dolphins	
				Yes
63,400	State Farm	Glendale, AZ	Arizona Cardinals	
				Yes
61,500	Soldier Field	Chicago, IL	Chicago Bears	

Appendix A

The construction of both Nationals Park and Audi Field required accessing a significant part of the City's borrowing authority,⁶⁹ imposing new questionable taxes (*e.g.*, a gross receipts tax on all DC businesses with gross receipts of over \$5 million and a share of the utility taxes paid by all businesses in the city, in the case of Nationals Park) as well as deferring needed capital projects (*e.g.*, needed school modernization the case of Audi Field).

Nationals Park

The District's agreement to build a ballpark was announced as a \$611 million project, with \$535 million to be financed through bonds. But that was to pay for the cost of constructing the stadium The total cost has been much higher" - the total cost is \$769.6 million.⁷⁰ The additional costs

⁶⁹ "There are also continuing costs from the stadium and baseball. Paying for the stadium pushed the District to its debt limit, which means the city can't borrow money for anything else, including the new soccer stadium. That's why the District has offered to <u>trade the land for a</u> <u>soccer stadium</u>" "Was Nationals Park worth it for DC?" By <u>David Cranor (Contributor)</u> August 27, 2013

https://ggwash.org/view/32079/was-nationals-park-worth-it-for-dc ⁷⁰ "Paying for the Ballpark", *Washington Post*, March 24, 2008. <u>https://web.archive.org/web/20111017060615/http://www.washingtonpost.com/wp-dyn/content/graphic/2008/03/24/GR2008032400073.html</u> were for land cost and eminent domain settlements, sidewalks, roadway and WASA upgrades, Frederic Douglass Bridge improvements, paid for by the City, amounting to over \$107 million. A part of those extra cost were paid for by contributions from Major League Baseball (\$31 million) and the federal contribution for Navy Yard Metro upgrade (\$20 million).

"To cover its bond debt, some \$535 million plus debt service, the city uses four methods to raise funds (Suderman, 2012). Two of the methods, the Nationals' yearly rent and a 4.25% tax on merchandise and food sold inside the ballpark are sensible and appropriate ways to tax those who enjoy the ballpark. However, the remaining two methods, a gross receipts tax on all DC businesses and a share of the utility taxes paid by all businesses in the city, are questionable at best. Blanket taxes like the latter two do not intend to tax those who benefit from the stadium. The utilities tax simply makes operating a business more expensive for every business owner in the city, potentially raising market prices for consumers. The gross receipts tax makes even less sense. Any business that takes in \$5 million or more in *revenue* is taxed (Suderman, 2012). It does not matter if the business turns a profit or is in danger of failing. As long as the business reaches \$5 million in revenue, the city takes some of its revenue to finance Nationals Park, which is mostly likely irrelevant to the interests of the business. A blind tax like this disincentivizes companies to expand their businesses above the \$5 million revenue level, thus preventing the opening up of new positions and the hiring of more workers. This disincentive distorts the labor market, creating a deadweight loss that harms job seekers. It has the potential to hurt the consumer as well. If companies do not expand production because they are deterred by the tax, they cannot spread their fixed costs over as many units, forcing higher prices on consumers. It also has the potential to lead to the downfall of struggling, large companies that employ many workers. If this tax is the proverbial straw that breaks the camel's back and a company goes bankrupt, it could cause layoffs of DC residents."71

In addition to the two questionable non-baseball taxes that raised \$44.5 million in 2011, the City received \$3.5 million as annual rent from the Nationals, combined with the baseball-related taxes of \$14 million.⁷²

Audi Field:

With construction costs over <u>\$400 million</u>, Audi Field leads the league as the most expensive soccer-specific stadium. It claims another superlative as well. The city offered the largest public subsidy in MLS history: <u>\$183 million</u>.⁷³ To fund the stadium project, the District shifted \$32

⁷¹"BLOG: A Capital Punishment, How the Public Funding of Nationals Park is a Bad Deal" June 16, 201715pattabia, By Ryan DeLoughry. Wesleyan University

 $[\]label{eq:https://stanfordeconreview.com/2017/06/16/deloughry/#:~:text=After%20a%20bidding%20war%2C%20the,funds%20(Cranor%2C%202013).$

⁷² Sam Fortier, Michael Brice-Saddler, Ava Wallace, Jesse Dougherty, and Meagan Flynn, "As D.C. eyes Commanders, tension with the city's other pro teams simmers," Washington Post, 23 June 2023.

⁷³ DC Taxpayers to Fund Nearly Half of New Stadium Costs, Michael D. Farren and <u>Anne Philpot</u>, Mercatus Center at George Mason University, July 25, 2018. <u>https://www.mercatus.org/economic-insights/expert-commentary/dc-taxpayers-fund-nearly-half-new-stadium-costs</u>

million away from other budgets, including <u>school improvements</u>. The funding package also included \$106 million in new debt, which brought the City close to its borrowing limit⁷⁴ leaving little to fund all other capital improvements.⁷⁵ In addition, the City agreed to pay roughly \$139 million on land acquisition and preparation (environmental clean-up and infrastructure improvements). DC tossed in a 20-year property tax abatements, worth \$43 million—meaning the public is paying for <u>forty six percent of the total cost</u> of the project. The city also handed over its public authority to the project, using its eminent domain authority kicking out existing property owners to make room for the stadium.⁷⁶ The District used its eminent domain authority, kicking out existing property owners to make room for the stadium.⁷⁷ After the District took the project by eminent domain in 2017, the owner challenged the \$48.8 million value that the District proposed to pay for the property. Lengthy litigation ensued and the case went to trial in October 2022. After a nearly four-week trial, the property was valued at \$54.3 million that the District had to pay.⁷⁸ This figure does not include the District's expenses for outside counsel and expert witnesses. Others subsidies will be more <u>subtle</u>, when consumers shift their entertainment spending from local businesses to the subsidized soccer stadium.⁷⁹

The July 2, 2015 Lease Agreement is for a period of 30 years (Lease Agreement, Section 5.1) for which, DC is to receive an annual rent of one dollar (Lease Agreement, Section 6.1)

City Paper article "A Safe Bet?" by Chris Heller, June 26, 2015

⁷⁴ DC Code §47-335.02 (a) limits DC's debt service on all bonds to not exceed 12% of Total Expenditures in any applicable fiscal year, as contained in the most recently enacted District Budget and Financial Plan.

⁷⁵ Outgoing-Councilmember David Catania offered tough words about it. "Just so we're clear, \$95 million over the next five years has to cover the following: two new middle schools, all the development associated with Reservation 13, Walter Reed, half of St. Elizabeths, and Metro. We have precious few capital dollars left," he said, before voting for the deal."

https://washingtoncitypaper.com/article/199547/washington-dc-sinks-money-into-a-dc-united-stadium-following/

⁷⁶ <u>https://washington</u>citypaper.com/article/1999547/washington-dc-sinks-money -into-a -dcunited stadium-following/

⁷⁷ <u>https://washington</u>citypaper.com/article/1999547/washington-dc-sinks-money -into-a -dcunited stadium-following/

⁷⁸ oagpress@dc.gov. <u>Https://www.gizjournals.com/washington</u> news/2018/06/29/d-c-appeals

⁷⁹ https://dmped.dc.gov/sites/default/files/dc/sites/dmped/publication/attachments/Amended% 20and%20Restated%20Development%20Agreement%20%20FINAL%20%28Parts%202%29%20%2807-02-15%29_0.pdf

Appendix B

Environmental issues

Jack Kent Cooke's proposed stadium was to be located north of the existing stadium in Parking Lot 7 (currently occupied by the Fields at RFK Campus). Parking would have been reconfigured, and 15 acres excavated for a new stadium. An Environmental Impact Statement was prepared. Test borings showed elevated levels of lead and chromium in in 20 soil borings. Figure 3.

- Lead poses known health risks.
- "Chromium (Cr) is a trace element critical to human health and well-being. In the last few decades, its contamination, especially hexavalent chromium [Cr(VI)] form in both terrestrial and <u>aquatic ecosystems</u>, has amplified as a result of various anthropogenic activities. Chromium pollution is a significant environmental threat, severely impacting our environment and natural resources, especially water and soil. Excessive exposure could lead to higher levels of accumulation in human and animal tissues, leading to toxic and detrimental health effects."
- Organic contaminants, primarily polynuclear aromatic hydrocarbons (PAHs) (associated with asphalt and tar) were found in some soil samples. The FEIS notes that certain PAHs are probable carcinogens.⁸⁰

The FEIS concluded:

The proposed site area has been found to contain contaminated soils, primarily including lead and semi-volatile organics that appear to result from various fill materials placed on the site more than 30 years ago [now more than 60 years ago]. High levels of contaminants have been detected in localized areas distributed randomly throughout the proposed site area. The groundwater has not been found to be contaminated by the soil contaminants. ...

If disturbed, the contaminated soil could have adverse impacts on the community and/or the environment if not handled properly. However, if appropriate control procedures for handling and transportation are closely followed during construction ... the potential effects of the soil contamination would be adequately mitigated.⁸¹

As far as we can determine, with the exception of the accessory buildings at the Fields at RFK Campus, no additional construction has taken place on the RFK Campus, and thus the ground remains largely undisturbed since 1993. For this reason the RFK FEIS (1993) is helpful in evaluating the potential environmental impact of any new structures or buildings to be built, including a new football stadium, plus new infrastructure and utilities.

⁸⁰ Vol. 1 for the Construction and Operation of a Proposed Stadium, Washington, D.C., (1993), Executive Summary (RFK FEIS 1993), xiii; pages 3-119-121, 122, 125, 131. <u>www.epa.gov/lead</u> (2020). Shiv Prasad et al, "Chromium contamination and effect on environmental health and its remediation: A sustainable approaches [sic]," *Journal of Environmental Management*, Vol. 285, 1 (2021).

⁸¹ RFK FEIS (1993), ix, xiii. Serge F. Kovaleski, "Lead at Stadium Site Requires Strong Safety Steps, Report Says," *Washington Post*, 22 Oct. 1993, D-1.

Impacts on air quality, noise levels were expected to be minimal.⁸²

Impervious surfaces on the RFK Campus increase stormwater runoff and pollute the Anacostia River

The acres of asphalt parking lots are impervious surfaces. Stormwater runoff from the parking lots drains into the Anacostia River untreated. Stormwater pollution is a threat to the Anacostia River, wildlife habitats, and a severe threat to the wetlands at Kingman Lake (Anacostia River). DOEE, *Wildlife Action Plan* (2015), Appendix F. See Figure 4, showing Kingman Lake. NCPC's Comprehensive Plan for the National Capital: Federal Elements – Parks and Open Space Element (2018), p. 27 features a photograph of RFK Stadium accompanying the following text on the importance of permeable surfaces to prevent stormwater runoff:

Untreated stormwater runoff often carries pollutants such as oil, dirt, and chemicals directly to streams and rivers, where they seriously harm water quality. To protect surface water quality and groundwater resources, non-porous surfaces should be discouraged along rivers, streams, and waterfront areas. In other areas of the parks, minimize the use of non-porous surfaces where necessary and consider permeable surfaces to replace asphalt and concrete pavements . Porous or permeable pavements mimic the natural process that occurs on the ground's surface, reduce runoff, and allow rainwater to infiltrate to the ground below. They filter out pollutants, eliminate the need for retention basins and water collection areas, reduce erosion, and lessen flooding events.

Redevelopment of the RFK Campus, including a new stadium, or mixed use buildings, will entail additional new streets to support these activities. DDOT requires detailed studies and planning for new streets, including analyses of the environmental conditions, utilities, stormwater management, traffic needs.⁸³

⁸² (RFK FEIS 1993) xii.

⁸³ DDOT, Design and Engineering Manual (2019).