



The Real Pitch On DC Baseball

December 19, 2005

Volume 1, Number 1

In This Issue

- From The Desk of Mayor Anthony Williams
- Ballpark to Revive Waterfront, Boost City
- Why Not RFK?
- Getting the "Ballpark" Figures on Stadium Costs

From The Desk of Mayor Anthony Williams



Our city is at a crossroads. On December 20, the DC Council will vote on a critical lease for the stadium that was approved a year ago. A **yes** vote means we keep the Nationals here and the millions of dollars worth of economic development they mean to the city. If approved, this plan will create hundreds of new jobs for District residents, from skilled trades like carpenters and metalworkers to retail positions. It gives our children a stake in a brighter future.

A *no* vote would mean going back on our word and depriving District residents of a rare opportunity to redevelop Southeast in a way that makes our city a better place to live.

Ballpark to Revive Waterfront, Boost City



Building the new baseball stadium on the Anacostia Waterfront will be an investment in a stronger future for the District of Columbia! The ballpark will create a vibrant destination neighborhood in Southeast and create hundreds of new job opportunities for DC residents.

It means more money for our city.

The new stadium will attract billions of dollars in housing, offices, retail, restaurants, and more. It will be the catalyst for over \$2 billion in development and over \$70 million in annual sales and property taxes. Most importantly, development around the Anacostia Ballpark will support a \$400 million *Community Benefit Fund*, which would include \$125 million for DC public schools and \$45 million for our libraries. **The *Community Benefit Fund* will not exist without a new stadium on the Anacostia.**

It means more and better jobs for our residents.

To build the ballpark, the District has entered into an historic and unprecedented Project Labor Agreement (PLA) designed to help with the employment and training of disadvantaged and minority workers. It provides for strong partnership with small, minority business firms.

The PLA will ensure that 100 percent of all new apprentices **will be District residents** and when the ballpark is completed, they will be certified journeymen. Most importantly, unemployed and underemployed workers will be empowered with skill training and high paying jobs for decades to come in our City.

Why Not RFK?

Trying to build at RFK will delay the new ballpark because the land is federally owned and would require an environmental assessment. In the early 1990s, lead contamination was found at RFK which was one of the reasons that prevented building a new Redskins stadium there.

Also, a stadium at the RFK site will not create the jobs and economic growth that can occur at the Anacostia waterfront location. Most importantly, there is an already established community around RFK which would be greatly disrupted with the construction of a new ballpark and does not provide nearby development opportunities for new businesses.

Getting the "Ballpark" Figures on Stadium Costs

The return of Major League Baseball has brought excitement to the metro DC area as the Washington Nationals got off to a roaring start. Yet there continues to be one question that lingers in the minds of all fans - *How much is the stadium going to cost?*



Last December, the City Council voted to borrow the \$535 million needed to finance the construction. This funding will come from businesses and the federal government, taxes generated at the stadium, and Major League Baseball. Additional costs associated with building the stadium will bring the *total cost* to just over \$660 million. These additional costs are the result of delays and the disastrous 2005 hurricane season which caused the cost of fuel, steel, and other materials to rise dramatically.

The District will be able to cover these costs by restructuring the debt and using other revenues such as interest earned on the construction funds, the rent being paid to the District by the Nationals, and stadium taxes – most of which came from Nationals fans who live in Maryland and Virginia. Those outside sources amount to over \$40 million. None of these sources will come from the District's general fund and but for baseball, none of these revenues would exist.

The only public money being used toward stadium construction is the \$14 million annual tax being imposed on the 2,000 largest businesses in the District.

Additionally, the District has identified extra outside funding. We insisted that Major League Baseball make an extra contribution to this project, and they have: \$20 million. To cover the anticipated \$34 million needed to improve roadways and Metro, the District requested funding from the federal government and received a commitment from developers to provide the resources to rebuild the roads in the immediate area. We are confident that we will receive assistance.

What about cost overruns? As with any major construction project, cost overruns are impossible to predict. The District will work closely with the construction companies, the team owners, and Major League Baseball to minimize the level of cost overruns and to ensure that additional costs are addressed while the District's General Fund is protected and city services are not harmed. ***Contrary to what you may have been told, costs are under control and are being managed responsibly.***