



**STOP
THE ARENA**



Coalition to Stop the Arena at Potomac Yard

February 28, 2024

The Honorable Louise Lucas
Chair, Finance and Appropriations Committee
Virginia Senate
General Assembly Building, Room 104
201 North 9th Street
Richmond, VA 23218

The Honorable Luke Torian
Chairman, Appropriations Committee
Virginia House of Delegates
General Assembly Building, Room 1223
201 North 9th Street
Richmond, VA 23219

RE: Including the Potomac Yard arena in the budget conference report

Dear Chair Lucas and Chairman Torian,

On behalf of the Coalition to Stop the Arena at Potomac Yard (“Coalition”), we urge you and your fellow conferees to oppose the inclusion of any language in the state’s budget bill that would result in a publicly funded arena being built at Potomac Yard. The Coalition represents thousands of Alexandria and Arlington residents, millions of potentially impacted Virginians, and advocacy organizations from across the ideological spectrum who all oppose Governor Youngkin’s proposed arena deal in Alexandria. We applaud Chair Lucas, in particular, for her steadfast opposition to SB 718. We also acknowledge and appreciate the many important and as yet unanswered questions that both of you and your colleagues in the General Assembly have raised about the arena deal since it was announced only eleven weeks ago.

Over the coming days, you and your fellow budget conferees will make key decisions about whether to include in the conference report language that will saddle generations of Virginians with the costs of this ill-conceived plan. If the arena plan moves forward, funds that would otherwise support projects that could benefit all residents of the Commonwealth will instead be diverted to debt service and maintenance on an arena whose biggest beneficiary will be Monumental Sports & Entertainment and its billionaire owner. Despite what arena proponents repeatedly claim, decades of economic analyses show that arguments that the deal will “pay for itself” are not supported by independently produced and peer-reviewed evidence.ⁱ The process by which this proposal has been presented to the public has also been unacceptably opaque. Key documents (often heavily redacted) that would support or discredit claims by stadium backers have only emerged in recent weeks, and often only after Freedom of Information Act requests by media.ⁱⁱ When such evidence has finally emerged and been analyzed by independent sources, the economic impact and cost claims of stadium proponents have been found to be highly suspect.ⁱⁱⁱ

Finally, the majority of residents of Alexandria simply do not support this proposal, based on recent polls^{iv v} and petitions.^{vi} At a February 24 Alexandria City Council hearing, thirteen speakers spoke in opposition to the arena project and only one person spoke out in favor of it. The public record is filled with as-yet unaddressed concerns about the impacts of the proposed arena on transportation,^{vii} the environment,^{viii ix} the Commonwealth’s financial well-being,^x affordable housing,^{xi} and labor.^{xii} Public comments at the House Appropriations Committee hearing on February 9^{xiii} and community meetings^{xiv} about the deal have been overwhelmingly against the proposal. Even leaders of the Northern Virginia Republican Party have come out in opposition to the Governor’s plan.^{xv}

The Potomac Yard arena deal is simply bad policy, unsupported by independent economic evidence, and opposed by the public and leading members of Governor Youngkin’s own party. It is time to finally close the book on this proposal and keep it out of the final budget conference report.

Sincerely,

Adrien Lopez, Andrew Macdonald, Dan Heng, Rickey Dana, and Shannon Curtis, co-founders,
Coalition to Stop the Arena at Potomac Yard

Brian Hess, Sports Fans Coalition

John Breyault, National Consumers League

Patrick Hedger, Taxpayers Protection Alliance

cc: The Honorable Terry Austin

The Honorable Rob Bloxom

The Honorable Jennifer Boysko

The Honorable David Bulova

The Honorable Betsy Carr

The Honorable Creigh Deeds

The Honorable Mamie Locke

The Honorable Ryan McDougle

The Honorable Todd Pillion

The Honorable Mark Sickles

ⁱ Bradbury, J.C., Coates, D., & Humphreys, B.R. (2023). Public policy toward professional sports stadiums: A Review. *Journal of Policy Analysis and Management*, 1-39. Online: <https://doi.org/10.1002/pam.22534>

ⁱⁱ Oberg, Ted, Yarborough, Rick, & Jones, Steve. "I-Team fights for access to Alexandria arena deal details, comes up against black ink and withheld records," WRC-NBC4 Washington. (February 20, 2024) Online: <https://www.nbcwashington.com/news/local/northern-virginia/i-team-fights-for-access-to-alexandria-arena-deal-details-comes-up-against-black-ink-and-withheld-records/3547548/>

ⁱⁱⁱ See, e.g., District of Columbia Office of the Budget Director. "Analysis of Virginia Arena Deal Documents." (February 12, 2024) Online: <https://s3.documentcloud.org/documents/24427001/dc-council-monumental-virginia-memo.pdf> ("Based on our review of these documents, the project is very advantageous to

Monumental, as it allows the company to consolidate all of its operations into one location and – more importantly - places the construction, maintenance, and finance risks of this new campus almost exclusively on Virginia taxpayers. ... While the reporting on the project has stated it will cost about \$2 billion, the MEI briefing documents provide a better estimate of the project’s total cost, including interest payments and maintenance costs. In all, the documents indicate the arena project cost is at least \$5.5 billion, and likely more.”)

^{iv} BlueVirginia. (“Final results from our (unscientific Twitter/X) poll on the proposed Wizards/Caps arena, with 396 votes cast.: 14.1% for moving to Potomac Yard-85.9% for staying in DC”) (February 20, 2024) Online: <https://twitter.com/bluevirginia/status/1759947661409497289>

^v Miles, Vernon. “Poll: What do you think of the budget battle over Potomac Yard and Metro funding?” ALXNow.com. (February 20, 2024) (Showing 70.42% of respondents opposing state support for the arena.) Online: <https://www.alxnow.com/2024/02/20/poll-what-do-you-think-of-budget-battle-over-potomac-yard-and-metro-funding/>

^{vi} Change.org “STOP THE ARENA AT POTOMAC YARD” (2,965 signatures as of February 28, 2024). Online: <https://www.change.org/p/stop-the-arena-at-potomac-yard>

^{vii} Armus, Teo. “Proposed Caps, Wizards arena collides with transit plans for Amazon HQ2.” *Washington Post*. (February 6, 2024) Online: <https://www.washingtonpost.com/dc-md-va/2024/02/09/amazon-hq2-capitals-wizards-arena-virginia-alexandria/>

^{viii} Sierra Club Potomac River Group. “Sierra Club-Potomac River Group Position on Building an Arena in Potomac Yard.” (February 14, 2024). Online: <https://i0.wp.com/stopthearena.org/wp-content/uploads/2024/02/Sierra-Club-Position-on-Building-an-Arena-1.png?ssl=1>

^{ix} Freedman, Andrew. “New sports complex outside D.C. has a big flaw: flood risk,” *Axios*. (December 19, 2023) Online: <https://www.axios.com/2023/12/19/virginia-stadium-dc-teams-coastal-flood-threat>

^x Gelman, Scott. “Analysis of Potomac Yard arena revenue may overestimate Va. profits, economist says,” *WTOP*. (February 23, 2024) Online: <https://wtop.com/alexandria/2024/02/analysis-of-potomac-yard-revenue-may-overestimate-virginia-profits-economist-says/>

^{xi} Tenants and Workers United. Letter from Evelin Urrutia and Ingris Moran to Speaker-designee Scott, Majority Leader Surovell, and Mayor Wilson. (January 9, 2024)

^{xii} Armus, Teo, Schneider, Gregory, & Vozella, Laura. “Virginia labor unions come out against plan for new Caps, Wizards arena.” *Washington Post*. (February 20, 2024) Online: <https://www.washingtonpost.com/dc-md-va/2024/02/20/virginia-labor-unions-arena-oppose/>

^{xiii} Public Comments for 02/09/2024 House Appropriations Committee hearing. Online: <https://hodspeak.house.virginia.gov/meetings/16186/public-comments>

^{xiv} Miles, Vernon. “Alexandrians debate Potomac Yard arena: catalyst or cataclysm?” ALXNow. (January 29, 2024) Online: <https://www.alxnow.com/2024/01/29/alexandrians-debate-potomac-yard-arena-catalyst-or-cataclysm/>

^{xv} Loposser, Andrew and Hurtt, Matthew. “Northern Virginia GOP Leaders Against Stadium Deal.” *The Political Playbook*. (February 27, 2024) Online: <https://andrewloposser.substack.com/p/northern-virginia-gop-leaders-against>