

## **Principles that Should Guide Efforts to Bring Baseball to the District May 2003**

### ***A new stadium should be financed primarily with private funds.***

- Research shows that a baseball team is unlikely to have a tremendous impact on the District's economy — and thus would not be a wise investment of local funds
- Baseball revenues and franchise sales prices have risen substantially in recent years, suggesting that the league and owners can support building the stadiums they want
- San Francisco's new stadium was built almost entirely by the team owner.

### ***Public Financing for a stadium should be limited.***

- The only clear benefit to the District is non-financial — the pleasure and civic pride that comes from having a baseball team. Given DC's fiscal situation, this should not be a high priority for use of local funds.
- The District should find targeted ways to show its support for a baseball team, such as providing \$15 million to renovate RFK stadium for use as an interim site until a new stadium is built.

### ***A new stadium and team should generate direct tax benefits for the District.***

- The stadium should not be exempt from the property tax, as is currently planned.
- Taxes generated on parking, tickets, concessions and player salaries at the stadium should flow to the District's general fund rather than being used solely to pay for stadium construction, as is currently planned.

### ***Any stadium financing should come from special fees or taxes on stadium attendees.***

- Stadium construction costs should be paid directly by those who benefit from the stadium.
- The District could consider levying new and special taxes or fees, such as a per-ticket fee, to support stadium construction costs. These fees would be in addition to, rather than a substitution for, regular sales and other taxes that would be levied.
- The stadium should not be financed through a general tax, such as a tax on businesses. If businesses are willing to pay higher taxes, those revenues should be used for other, more pressing public service needs.