

Government of the District of Columbia  
Office of the Chief Financial Officer



**Jeff DeWitt**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeff DeWitt  
Chief Financial Officer

**DATE:** March 24, 2014

**SUBJECT:** Fiscal Impact Statement - "DC Sports and Entertainment Complex Feasibility Study Act of 2013"

**REFERENCE:** Bill 20-563, as Introduced

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**Conclusion**

Funds are not sufficient in the FY 2014 through FY 2017 budget and financial plan to implement the resolution.

The large scope of the study required by the bill makes it difficult to provide a point estimate. The Office of Revenue Analysis estimates that the cost could be up to \$2 million, which would have to be set aside in an approved budget and financial plan.

**Background**

The bill requires the Mayor to conduct a feasibility study for the acquisition and redevelopment of the site of the Robert F. Kennedy Memorial Stadium and surrounding area. The study must examine the long term costs and benefits of constructing a complex on the site that will include: a 100,000 seat domed stadium, an 18-hole golf course, a multimedia soundstage, a film and photography center, an indoor waterpark, and hotel accommodations. The study must also include an examination of required federal land transfers and options for project financing.

**Financial Plan Impact**

Funds are not sufficient in the FY 2014 through FY 2017 budget and financial plan to implement the resolution.

The Honorable Phil Mendelson

FIS: "DC Sports and Entertainment Complex Feasibility Study Act of 2013," Bill 20-563, as Introduced.

The cost of other large stadium feasibility studies suggests just the stadium portion of this study could cost more than \$1 million.<sup>1</sup> The additional components of this project (the golf course, waterpark, soundstage, hotel, etc.) will make the study more comprehensive, and the inclusion of financial and legal feasibility as well as design and construction concerns will make the analysis more complex, adding to the cost. The cost will also depend on the requirements in the final Request for Proposals, and the response of the market to this request. Given these uncertainties, the Office of Revenue Analysis estimates that the study could cost up to \$2 million, which must be budgeted for in an approved budget and financial plan.<sup>2</sup>

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<sup>1</sup> A 2004 feasibility study for Lucas Oil Stadium – a smaller domed stadium in Indianapolis with 62,000 seats - cost approximately \$772,000 in today's prices. A feasibility study contract was awarded in 2014 for \$324,000 to examine the potential for a new stadium at the University of Nevada Las Vegas (UNLV). The UNLV new stadium size has not been determined, but the existing stadium is a third the size of the proposed 100,000 seat stadium in this bill.

<sup>2</sup> Federal and District anti-deficiency laws prohibit District officers and employees from exceeding agency appropriations in any fiscal year. 31 U.S.C.A §1341 (2000); D.C. Code §47.355.01 *et. seq.* (2003). Thus if approved, the cost of the study cannot exceed the funds allocated for such a study in an approved budget.