



Why Is DC Offering More Financing for a Soccer Stadium than Most Cities?

By Ed Lazere

It's often good when we can say the District is an above-average city. But it's not so good when we are saying we are an above-average city when it comes to public funding for a soccer stadium. Actually, we are way above-average: The proposed \$150 million subsidy to DC United is about double what the typical city has offered to contribute for soccer stadiums.

There is little explanation as to why the District would offer so much. DC United's owner, who currently is losing money having his team play at RFK stadium, stands to benefit tremendously from a new stadium. The team has not gotten a sweet or sweeter deal like this from any other jurisdiction. These factors suggest that the team should provide the bulk of the cost and that the proposed deal is a bad one for DC residents.

The public subsidies for 12 soccer stadiums across the nation have varied dramatically -- from as little as \$7 million in Kansas City to \$247 million in Newark, NJ. But in most cases the public financing has fallen well below what the District offered earlier this summer.

Four of the stadiums received under \$50 million in public funds.

The typical subsidy among the 12 cities is \$77 million -- or just half of what Mayor Gray proposes.

Only two stadium deals -- in Denver and Newark -- got more than \$150 million in public assistance. (This doesn't count two stadiums that were built as both football and soccer stadiums.)

Public Funding for Soccer Stadiums (in millions)	
Kansas City	\$7
Columbus	\$23
San Jose	\$28
Houston	\$33
Los Angeles/Carson	\$57
Toronto	\$70
Salt Lake City/Sandy	\$84
Dallas/Frisco	\$114
Philadelphia/Chester	\$117
Chicago/Bridgewater	\$134
Denver/Commerce City	\$173
Harrison/Newark	\$247
District of Columbia (proposed)	\$150
Source: Judith Grant Long	

As the District's Dime has written before, the Washington area benefits from having DC United here, and a new stadium would be a positive addition. But that doesn't mean the stadium should come at any cost, especially given the plan to sell off valuable public assets to cover the costs. If the city sells the Reeves Center and other properties, those funds could go to build housing or schools, stock libraries with books and technology, and many other things. They wouldn't have to go toward a stadium.

The soccer stadium deal is far from final, and there will be opportunities to assess and change it. The current proposal is non-binding. It has to be spelled out in more detail and then go before the DC Council for review. We hope that includes a close look at the size of the subsidy and efforts to bring it to a more reasonable level.

The DC Fiscal Policy Institute is looking to connect with organizations and individuals who share our concerns about the proposed soccer stadium deal. Contact Jessica Fulton at **fulton@dcfpi.org** if you would like to join this group and receive informational updates from us.