

# Bigger Than Basketball:

Economic and Community Investments from the Entertainment & Sports Arena



Mayor Muriel Bowser, Events DC, and Monumental Sports & Entertainment are committed to promoting transformative and community development in Washington D.C. by the construction of a new Entertainment & Sports Arena (“ESA”). The complex will be an innovative and unique venue that will provide a much-needed boost to on-going redevelopment in Ward 8, spur greater economic opportunities for residents, and help create more pathways to the middle class.

## CATALYTIC INVESTMENT OPPORTUNITY

- ESA is estimated to generate **300** permanent and **600** construction jobs, with a goal of hiring residents from surrounding community.
- ESA is estimated to attract over **350,000** annual new visitors per year at stabilization.
- Over lease term, Monumental Sports is contributing rent equivalent to **\$400,000/year** and investing **\$10 million** as a community investment towards community and economic revitalization of the St Elizabeths East campus and surrounding community.
- Anticipated total new tax revenues at **\$4.5 million** annually for a total of **\$90 million** in new tax revenues over 20 years including ticket tax, concessions, and income taxes.
- Total return on dollars invested for DC is a fiscal **return of \$4 for each \$1 invested in the ESC.**
- The ESA will drive private investment dollars to the St. Elizabeths East campus redevelopment, including enhanced retail and hospitality opportunities adjacent to the Congress Heights Metro.
- Will spur retail and private development dollars in the surrounding Congress Heights area.

## OTHER COMMUNITY BENEFITS

- Paid summer youth program for 21-24 year olds.
- Apprenticeship opportunities for Ward 7/8 residents.
- Ban the Box policy to provide greater employment consideration to ex-offenders.
- First Source Hiring requirements will provide opportunities to District residents.
- 35% CBE participation for construction and operations.
- Job shadowing programs to expose high-need students to careers in the construction, sports, entertainment and hospitality industries.
- Opportunity for Monumental and affiliated entities to occupy office space, bring partners to co-locate on the St Elizabeths East site.
- Philanthropic investments into St Elizabeths East campus, Ward 8 businesses, Ward 8 workforce development, Ward 8 related educational initiatives, Ward 8 healthy living and fitness efforts, and Ward 8 arts and cultural activities to the redevelopment effort.

## Deal Summary for Sports and Entertainment Complex at St. Elizabeths East

### Key Terms

- Total construction cost of \$55M
- Sources of construction funds: Events DC \$27M, District \$23M, Monumental \$5M.
- Monumental and affiliated entities will invest \$10 million at the St. Elizabeths East Campus and in the surrounding community over the 19-year lease term which can include philanthropic investments.
- Events DC will construct facility.
- District to own facility and retain Events DC as events management company for operations and management under 19-year lease, at no costs to the District.
- District's planned Stage 1 infrastructure improvements will service the facility.

### Features:

- 5,000-seat Sports & Entertainment Arena for use as:
  - Concert/ entertainment venue
  - Community event programming
  - Wizards Training Facility
  - Arena for Mystics and other sports teams
- Parking and limited secured parking spots for Monumental
- Adjacent to Metro Station (Congress Heights)
- Located Outside of Phase 1 Area Currently Under Negotiation

### Timeline

- Community Working Group and Outreach to Kick-off Winter of 2015/2016
- Anticipated construction start of July 2016
- Anticipated construction completion Fall 2018