POLICY PROPOSAL MEMO

TO: Professor Veronica Goodman
FROM: Daniel Lovett
RE: Memo in Support of Recent DC Policy Approval to Redevelop RFK Campus
DATE: 1 December 2025

Introduction

This memo will be evaluating and advocating in support of an existing policy passed this September by the City Council of the District of Columbia, named the Robert F. Kennedy Campus Redevelopment Emergency Act of 2025[1]. The legislation approved partial public funding for the redevelopment and construction of a new stadium to be used by the Washington Commanders football team, as well as an adjacent sports center, parking and transportation infrastructure, shopping district, and housing units on the site of the previously vacant RFK campus. More specifically, the policy approved the issuance of up to $675M in special issue bonds and an additional $65M in tax abatements to fund the construction of the stadium and parking infrastructure, which will remain publicly owned and be leased to the Commanders for $1 a year, in return for the Commanders' commitment to invest at least $2.5B in the development of the stadium and surrounding mixed-use district.

As further described in the legislation itself, the goal of this policy is to reinvigorate a previously dormant site by partnering with the Washington Commanders to invest in the development of a state-of-the-art sports complex, entertainment venue, and housing complex that will generate jobs and opportunities for residents and businesses in the immediate neighborhood and city at large. In addition to these economic benefits stemming from the construction and use of this new project, in providing partial funding for this development in the form of bonds and tax exemptions, the district hopes to generate long-term fiscal revenues in excess of their financial obligations, through the increased collection of non-exempted taxes associated directly with the project and indirectly through the multiplier effect, which will be explored later.

Background

The passage of this policy by DC City Council to approve of the redevelopment of RFK campus was itself the culmination of a lengthy process which first required the transfer of the site from federal to local jurisdiction, approved through an act of Congress in January of 2025[2]. Following this, as outlined in a press release[3] from DC City council, the mayor negotiated with both the Washington Commanders and local neighborhood interests on behalf of the city to develop the terms of the policy described above and throughout the rest of this memo.

From an equity perspective, which considers the distributional impacts of the costs and benefits, the recently approved legislation attempts to anticipate and address several potential concerns. As previously noted, the development will serve as a cutting-edge sports, entertainment, and commercial venue, creating substantial value for the capital region. However, while many of these benefits are dispersed, a large portion of the immediate costs will be borne by the local community through increased construction-related disturbances, noise pollution, and congestion, among other factors. As such, to address equity concerns by offsetting some of these potential negative local externalities, DC's City Council worked extensively to win concessions for the Kingman Park community that borders the site, including outlining preferences for hiring local workers, the construction of affordable housing units, and the creation of a $110M reinvestment fund to support small businesses, workforce development, and public health.

In terms of efficiency, which measures the amount of total economic surplus generated by the decision to partially fund and provide tax exemptions for the construction of the new RFK project, an Economic & Fiscal Impact Analysis[4] was conducted on behalf of the city to explore the economic effects of the policy. It found that accounting for the multiplier effect, the site's redevelopment will generate more than $24B in total economic surplus over the next 30 years. While this figure suggests a high level of efficiency, it must be noted that detractors of the policy may point to evidence from existing scholarly research[5] that has demonstrated that previous estimates from similar analyses have often overestimated the benefits and underestimated the costs associated with such developments, calling into question the precise level of purported economic surplus generated by the project. Despite this, the directional effect of the policy appears to be clearly positive in generating beneficial economic activity.

Analysis

Diving deeper into the projected economic benefits of the policy outlined in the previously referenced Economic & Fiscal Impact Analysis, the study finds that over the course of the next 30 years, in addition to the $24B in total economic surplus previously mentioned, the development will generate $4.2B in personal earnings through new jobs associated both directly and indirectly with the project, including over 30,000 new construction jobs over the next 3-7 years. In addition, the report predicts that the effort will result in $5.1B in new fiscal revenue through increased collection of income, sales, and hotel taxes. However, these benefits do come at a cost, with the most direct being the issuance of $675M in bonds and the provision of $65M in tax abatements through 2029 (totaling up to $1.5B through 2059[6]) to partially fund the construction of the stadium and parking infrastructure. Finally, in addition to the direct costs, the opportunity cost of deciding to invest the city's resources into building a stadium and entertainment venue, rather than in another capital venture such as housing, transportation, or public health infrastructure, which critics may point to as either creating more economic value entirely or more equitably distributing benefits, must be considered in evaluating the ultimate trade-offs that this new policy entails.

From an implementation perspective, the policy is primarily designed to achieve its goal of generating economic surplus for the city and local community through the mechanisms of financial subsidies and tax incentives. It will do so by issuing bonds to partially fund the project and exempting the stadium and parking infrastructure from property and certain sales taxes. In addition, the legislation aims to achieve its goal by outlining several financial penalties that the city may impose on the developers if the team fails to meet its contractual obligations, including requirements for construction timelines and affordable housing.

Conclusion

As outlined above, the recent legislation to approve the redevelopment and partial public funding for a new stadium, commercial district, and housing project on the RFK site merits substantial attention due to the significant economic and fiscal impact it will have on the city over the next several years. Considering its equity and efficiency dimensions, economic costs and benefits, and implementation design, this memo ultimately advocates in favor of the policy.

Notes

[1] "Robert F. Kennedy Campus Redevelopment Emergency Act of 2025." (Act 26-0150, 2025). https://lims.dccouncil.gov/Legislation/B26-0352

[2] "D.C. Robert F. Kennedy Memorial Stadium Campus Revitalization Act." (Public Law No. 118-274, 2025). https://www.congress.gov/bill/118th-congress/house-bill/4984/text

[3] "Council Approves RFK Campus Plan, Rental Act, Juvenile Curfew Extension, Vaccine Access, and Police Contract." Council of the District of Columbia, September 22 2025 https://dccouncil.gov/council-approves-rfk-campus-plan-rental-act-juvenile-curfew-extension-vaccine-access-and-police-contract/.

[4] "Economic & Fiscal Impact Analysis." CSL International, June 2025, https://ourrfk.dc.gov/sites/default/files/dc/sites/ourrfk/release_content/attachments/FINAL_CSL%20RFK_Economic_Impact_Analysis_6-3-25.pdf

[5] Baumann, R. W., & Bradbury, J. C.. "Estimating the Fiscal Impact of Stadium Developments: Evaluating a Pro Forma Model." Public Finance Review, 52(4), (2024): 399–438. https://doi.org/10.1177/10911421231199517

[6] Glen Lee, "Tax Abatement Financial Analysis." 2025, .https://cfo.dc.gov/sites/default/files/dc/sites/ocfo/publication/attachments/RFK%20TAFA%20072425.pdf