



Potomac Yard Arena Committee Proposal Concerns and Solutions

Color Key

Black text - Concerns

Green text - Mitigating suggestions

Red text - Additional question(s) related to a mitigating suggestion

1. **General Questions**

- a. The state legislation has been all over the place in terms of how it defines the area of the “district” or “campus” that will be subject to giving its sales/property/use taxes to the authority for use in bond payments.

The original senate bill describes a “campus” of just the arena and phase 1 development - and taxes only that area in this way. It seems that’s what AEDP negotiated and intended. But the house bill changed it to a “district” made up of the whole of Potomac yard (and then made it worse again with the change to 3/15 seats in that authority)

To the best of your knowledge - what is the final intended definition and exactly what does it include beyond the arena/monumental/HQ/practice facility/arts space? Does it include the hotels? Rebuilt retail? Residential builds in any phase? Phases 2 and/or 3?

- b. If the city has to write \$25M in annual checks to operate the arena (public safety, traffic calming, trash, services, etc.) - what net new money do we get to actually do that with? I'm reading the house bill trying to figure it out, but sales, property, and income taxes go straight to the authority, to be distributed back only as overages if all the other bond services, capital accounts, etc. are satisfied. What mechanism ensures that we have the money we need locally to operate it appropriately? There is an admissions ticket tax mentioned here - maybe that goes to the city first?

Alexandria thinks this thing will cost us \$25M a year to run in terms of public safety, trash, etc. But it’s unclear whether we have to wait to get money back from the arena authority after the bonds are paid to get that cash flow or if there’s another mechanism?





2. Timeline Questions

- a. Monumental has stated the facility has to be ready by 2028.
 - i. Monumental must get out of their current lease by 2027. How could the challenge by DC impact this plan moving forward?
 - ii. Virginia lawmakers have added a re-enactment clause to the legislation that would be included in any authorization one year after approval so the government could review the financial negotiations with Monumental. How does this affect the project moving forward?
 - iii. The City has stated there will be public input during the development process. How does this affect the DSUP / Site Plan approval process before it goes to a Planning Commission hearing and allow construction to be completed by 2028.
 - v. At the 2/22/24 Community Conversation, the city will conduct a traffic study (not a “plan”) and stated they would work with the community to mitigate the effect the “worst case scenario” would have. How will this affect the timeline and approval of the project?
 - vi. VDOT would be in charge of any improvements to Rt. 1. Will the pace of those improvements align with the development of the arena? What happens if those are not finished by 2028 and are being implemented afterwards?
 - vii. There appear to be major unknowns on exactly where and on what timeline the onsite parking garage/deck will be built

3. Neighborhood Parking

- a. How do we ensure event attendees do not park in area neighborhoods, further limiting already constrained street parking?
 - i. Preemptively implement zoned/permit parking in surrounding neighborhoods
 1. How would this be implemented? Number of spots per home, etc.
 2. Are they tied to individual vehicles (such that you couldn't get a pass and sell it to an arena-goer nightly)? Parking tickets at \$45
 3. What enforcement options exist across state lines? Is data available about what percentage of Alexandria-issued tickets are actually being collected successfully right now?
- b. Is there a way to minimize financial impacts on residents if and when area neighborhoods move to zone/permit parking? Especially for residences who do not have off-street parking?
 - i. Provide free parking permits initially and/or structure an approach where each resident gets one free with marginal price increases that rise with the total





number of permits requested.

- ii. Extra consideration given to how many off-street parking spaces already exist for applicants. I.e. consider the possibility of additional free or reduced rate permits to those applicants that do not have dedicated off-street parking available to them.

- 1. There are residents that have intentionally eliminated their off-street parking which will need to be considered should reduced rates for parking permits be given.

- c. One of the suggestions from the 2/22/24 Community Conversation was to consider Resident Only parking permits. This would have a detrimental effect on residents who have guests over, on businesses in Del Ray, as well as on the many festivals and events in Del Ray.
 - i. Include visitor passes as part of the new parking district/zone changes
- d. Given current staffing capacity, what is the projected availability of parking enforcement officers during off hours events - i.e. evening/weekends? How do we ensure that there are adequate personnel resources to meet the growing demand?
 - 1. Will parking enforcement include towing for those people that are parking illegally? Are residents expected to deal with people who do not comply with parking restrictions (e.g. call for trucks to tow vehicles?)
 - 2. Without towing - can ticketing be successfully enforced across state lines?
- e. How would new parking restrictions be communicated in areas where sidewalks are narrower than standard ADA-compliant sidewalks? How do we ensure that all areas are monitored by traffic enforcement, including these areas where sidewalks may be too narrow to install proper signage?
- f. How can new parking restrictions be rolled out with minimal negative impact on Del Ray businesses? How far do the residential permit parking restrictions go?

4. Transportation

- a. Is it realistic to project a 50% vehicle rideshare to Potomac Yard when that's the rideshare currently achieved at Gallery Place Metro Center which is much better served by transit as well as walkable for a much larger population?
- b. There is concern that the Kimley Horn study only benchmarked against a fully built out Potomac Yard rather than providing analysis that includes the current state.
 - i. How can we get a current state version to better understand impacts versus current conditions?





- ii. **What happens if local traffic study shows a vastly different reality whose costs are much higher than anticipated - who pays for the delta in cost?**
- c. What is the proposal with respect to the BRT lanes? The AEDP website refers to a dedicated lane expansion, but the transportation session in early Feb indicated that wasn't in the plans, instead only detailing an increase in bus frequency.
 - i. Kimley Horn analysis did not account for anything other than arena traffic, including significant trips to/from the proposed Phase 2&3 development. Pentagon City is also planning for additional high density development through 2040.
- d. How will access to the new phase 2&3 developments be maintained during event days?
- e. Pedestrian, multi-modal improvements and traffic calming
 - i. Alignment of Potomac Yard Trail to best serve walkers/bikes/scooters arriving from the south and from Crystal City
 - ii. Traffic calming on Potomac Avenue, particularly from the Rt 1/Potomac Avenue intersection to the arena for people arriving from the south. Wasn't this metro station supposed to have a kiss-and-ride?
 - iii. Ridesharing - use of geofencing / Does the city have the ability to enforce a rideshare surcharge during games to encourage transit use?
- f. One of the proposals for neighborhood protection from the 2.22.24 Community Conversation was *Transportation Demand Management* which encourages alternate modes of transportation. An incentive for attendees could be offered to use transit or shuttles to get to the site.
Would such incentives be paid for by the city? While this would potentially reduce cars clogging the roads, are the costs to be covered in perpetuity? If Monumental is paying, would that come out of City's revenue?
- g. How will access to the airport be taken into consideration for events scheduled during major holidays, holiday weekends, spring break, etc.? And how will airport parking be preserved for airport go-ers during event days? How are we engaging with MWAA?
- h. If back-to-back events on one day are feasible (e.g. basketball game during the day and concert that night), how will traffic be managed, especially trucks coming with equipment to be loaded in/out and attendees parking in garages already full?
- i. The economic analysis reported by the Washington Post included concert events with potentially as many as 30k attendees - we have not seen any traffic/transit studies





talking about accommodating this many attendees to an event, either for arrivals or perhaps more importantly for event departures. Can we confirm whether these types of events are indeed imagined and if they are that they have been appropriately modeled in traffic/transit studies?

5. Metro

- a. What is a reasonable timeline to expect upgrades to be made to better prepare the station for large crowds?
- b. Is it reasonable to assume upgrades will be built in parallel to the arena build? What contingencies will be put in place if these upgrades are not ready in time?
- c. What construction impacts are expected for those already using the station as it is retrofitted to accommodate the arena?
 - i. Provide shuttles to nearby stations in the event the current station has to shut down for construction.
- d. We have had multiple several week or month-long shutdowns of the blue/yellow lines in recent memory - how would something like that be managed in the context of an operating Arena?
- e. Is this project feasible without a long term commitment to metro funding? Is a possible two year commitment to funding sufficient?
- f. How are we engaging with WMATA?

6. Financing and Development

- a. What changes to the legislative language is Alexandria pursuing regarding the composition of the Virginia Sports and Entertainment Authority (VSEA) governing board?
- b. If the arena complex is projected to provide “two times coverage” on its debt obligation, why is the entire 70 acres of North Potomac Yard included in the TIF district with tax entitlements granted to the VSEA?
 - i. MOU - How does this factor in and how does it differ from what is written into the legislative language defining “the district”?
- c. Should any proceeds be returned to the City according to structure in the authorizing legislation (50/50 distribution with the Commonwealth/City) would this be more or less than Alexandria would otherwise be entitled to should that revenue not be subject to capture by the TIF district?





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- d. Alexandria estimates that the arena district will cost approximately \$25M/year of city funds to administer (public safety, TE&S services, etc. [Source: 2/27 Leg Meeting](#)) - in the flow of funds, is there a mechanism for us to get that money first, before money flows to the VSEA for bond payments, or do we need to front that money until overages potentially return to the city from the VSEA? What protects Alexandria from significant increases in these costs?
- e. How is Alexandria prioritizing distribution of any proceeds returned to the city? What projects will be funded first? Schools, infrastructure, affordable housing?
- f. What is the approximate amount of the debt service on an annual basis?
- g. Is there a circumstance where the debt obligation would be paid down early and lessen any proceeds returned to Alexandria? Does the VSEA have authority to do so?
- h. What expectations for on-site gaming, now or in the future, exist?
 - i. Monumental has claimed they are seeking a “fully digitally-enabled” arena and fan experience...this clearly signifies future moves towards including in-event gaming in the fan experience.
- i. Are all transportation outlays now being refunded with potential proceeds from the VSEA? Need clarity on the transportation-related enactments in legislative language
- j. What comps are available to ensure a \$500mil valuation on the naming rights to the arena complex?
- k. Alexandria officials have stated numerous times that they have “learned lessons” from previously failed stadium deals? What lessons have they learned?
- l. What comps are available to demonstrate the viability of maintaining retail such as a rebuilt Target adjacent to the Arena complex?
 - i. Demand for brick and mortar retail has generally been declining. Are concerns about businesses simply relocating from other areas in Alexandria/Arlington which would be a net zero economically to the City/State
- m. What analysis has been done regarding the economic substitution impact in the Alexandria area and how that impacts the economic benefit analysis? Has there been consideration to the new entertainment district pulling spending from King Street/Del Ray? This is usually widely observed in areas around sports venues, especially on event days.





- n. Will the performance agreement and lease agreement with Monumental be made publicly available?
- o. When will full details of the proposed Phase 2&3 development be made available?
- p. What financial modeling has been done to account for a lower level of development than promised? Ex. Economic recession that makes further development impossible, impractical or requires significant scale back
- q. Is JBG Smith receiving any incentives to ensure Phase 2&3 development arrive as promised?
- r. Will the public be provided details regarding the milestone-based development agreement between the City and JBG Smith?
- s. How does a milestone-based development agreement function without providing the developer incentives to meet those milestones?
- t. According to HR&A report, the Phase 2&3 projected financials rely heavily on office space. Given the rapidly declining valuations of commercial office space and lack of demand for this space, are these financial projections still realistic? Will there be an additional shift away from dependance on commercial office in this development?
 - i. Commercial real estate valuations have been declining and recent data shows apartment building valuations are declining as well. How does this impact JBG Smith's ability to secure financing for this significant development project? Will this impact their ability to secure financing?
- u. Due diligence as to other area financings

7. Infrastructure

- a. How does an arena and performing arts use-case impact the projections for capacity on the Potomac Yard trunk sewer / stormwater lines as modeled under previous projections for the area when this was to be mainly CRE/residential/mixed use? Assuming the modeling allowed for higher-density use, but throughout the day at office and residential locations (vs. spikes at peak times during events), if and how does this alter projections?
 - i. Consider additional guidelines on storm and sewer upgrades during build that will go well above the "better than before" requirements
 - ii. Vigorously encourage green and gray water retention infrastructure design features to capture and hold excessive stormwater during major rainfall events to further mitigate system overload as water travels down highway one into known problem areas.





- iii. Encourage additional contributions to be made to the City's Stormwater Utility Fund, possibly on an annual basis, to provide additional funding over and above what is currently collected through resident fees and grants. This would encourage faster project timelines, add additional projects, and further fund the Stormwater Grant Program currently open to City residents.
- iv. As further development is discussed and approved, consider adding stormwater best practice designs in and around the entertainment district to further mitigate downstream impacts.
- v. Are there opportunities to partner with local groups that harvest rainwater for vertical agriculture programs? (FARM sub-committee of COG, others?)

8. Emergency Resources

- a. Resource sharing agreements have been the primary response when questions have been asked regarding making sure our police, fire, and ems services are not overloaded during events. Is this a reasonable assumption/response given that staff shortages are a regional issue, not just one for Alexandria City?
- b. How would emergency vehicles make it across Rt. 1 during high-traffic times?
- c. How will access to the new ER be impacted during peak arrival and departure times?

9. Crime/Security

- a. What plans does Monumental have to support security for the arena?
- b. How much will the arena and surrounding campus be relying on Alexandria PD off-duty officers?
- c. Given the current support MPD offers to Capitol One, what does the police force and security plan look like for the "campus," particularly given APD has a significantly smaller force than MPD has in supporting a smaller venue?
- d. Arlington County police officers are currently not authorized to work as off-duty officers outside of Arlington County. Are there discussions with Arlington to allow supporting the campus?
- e. Is Alexandria PD currently understaffed? If so, by how much?
- f. Is there a financial plan to increase the Alexandria police force to account for the significant population and events calendar of the campus?
- g. Based upon the footprint, density, traffic, and business of the campus, how many officers does Alexandria PD need to have available to respond to traffic, security, and





emergency response without pulling from current Alexandria needs?

- h. Alexandria estimates that the arena district will cost approximately \$25M/year of city funds to administer (public safety, TE&S services, etc. [Source: 2/27 Leg Meeting](#)). What modeling or other mechanism in this deal protects Alexandria from significant increases in these costs?

10. Environmental Impacts

- a. Explain what the RPA designation means and what will go into consideration
 - i. How will construction, as well as transportation changes impact area wetlands?
 - ii. Will the development only seek to purchase wetland mitigation credits from a mitigation bank or will the development commit to restoration as well?

11. Design/Architecture

- a. Building sustainability
 - i. Build with LEED certification in mind
 - ii. Landscape and neighborhood street design with gray and green infrastructure techniques to maximize rainwater retention.
 - iii. See idea in infrastructure section related to capturing and harvesting rainwater for area farmers cultivating vertical farms.
(<http://edibledc.com/stories/vertical-farming-on-the-rise-in-northern-virginia>)

12. Local Authority and Use of Facilities

- a. How do we ensure that the local authority is well-represented in the State authority? Have any advances been made into securing Alexandria more than three spots on the nine- (or fifteen) person planned sports authority?
(<https://dcist.com/story/24/02/01/alexandria-city-officials-tout-arena-deal-residents-prot est/>)
- b. How will area residents be able to continue conversations with area stakeholders (ie JBG, Monumental, and City leadership) if and when this proposal passes? Will there be the opportunity for direct lines of communication between groups for when problems/concerns arise?
 - i. Create a City board or commission made up of stakeholders, including representatives of Monumental Sports, JBG, City leadership, and area neighborhoods
 - ii. to provide an established means of communication between parties that can work to formalize procedures for surfacing and resolving issues quickly when they arise.





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- c. What, if any discussions have taken place regarding use of the facilities (arena, performing arts center, conference facilities, etc.) by area groups such as ACPS, local non-profits, and for City functions? If this has not yet been discussed, what would be considered reasonable and how do we make sure that those use cases are priced appropriately for area groups to be able to utilize the opportunity?
 - i. Include representatives from The Arts Alliance early in the design discussions to ensure the performing arts center is designed with maximum flexibility that would accommodate a wide-range of local arts and community uses.
 - ii. Incorporate the arts into the district's activation and programming strategy similar to the Kennedy Center's Millennium Stage and The REACH, both of which provide career-building opportunities for local arts groups to perform within the context of a national performing arts center while enhancing the vitality of the center and introducing audiences to different art forms.
 - iii. In order to maximize access and community benefit, establish a fund and curatorial process to make participation feasible for arts organizations with smaller budgets, many of whom have been priced out of other local venues.
 - iv. Carve out and reserve dates within the programming schedule designated for community use.
 - v. Include local arts in the vision and planning for all outdoor spaces, including the proposed plaza and convention meeting spaces. Publicly available visual art brings spaces to life and will be a huge asset as the entertainment district is developed.

13. Affordable Housing

- a. Aside from previously announced commitments to maintaining affordable housing units in adjacent neighborhoods, what commitment is there to create new affordable housing within the PY development?
- b. The HR&A report notes that developer JBG Smith has modeled housing prices within the PY development at a level \$.60 per sq ft higher with the arena than in development without the arena. This would result in a 675sq ft one bedroom apartment renting for \$390 per month more with the arena than without. A 1000 sq ft two bedroom would rent for approximately \$600 per month more with the arena than without. How does this impact average rent prices in Alexandria and contribute to housing affordability in the area?

