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The Misbegotten Bidding War Over Public Subsidies For The Washington Commanders Football Team

Dan Snyder, owner of the newly-renamed Washington Commanders football team, reportedly wants to build a \$1 billion stadium that would anchor \$2 billion in commercial development including hotels, offices, and retail. And politicians are falling all over themselves to provide public dollars to help him.

Like the team's long-suffering fans, those local pols have fallen victim to the triumph of hope over experience. They believe a new football stadium is a fast track to massive economic development. Yet, extensive research suggests this outcome is about as rare as a Super Bowl victory for Washington's football team. Here is one example. Here is another. And another.

Bipartisan subsidies

No matter. In Virginia, lawmakers are debating competing bipartisan proposals to authorize up to \$1 billion in tax-exempt bonds to fund Snyder's project. In one version, the state would help the Commanders repay the bonds by diverting to the team 2 percentage points of any sales taxes paid on purchases made at the project as well as any income tax from the salaries of players and executives. Plus, the team could retain any revenue from the naming rights it sells on the stadium. A competing bill is somewhat less generous: It would allow the team to keep only half the naming rights revenue.

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by Howard Gleckman

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