

Statement of Mark H. Tuohey, III
Chairman of the Board
and
William N. Hall
Chairman, Baseball Committee
before the
Zoning Commission
Monday, June 26, 2006
6:30 PM

Good evening Vice Chairman Hood and members of the Commission. For the record, my name is Mark Tuohey, and I am the Chairman of the District of Columbia Sports and Entertainment Commission. With me is my colleague, Bill Hall, who chairs the Sports Commission's Baseball Committee. On behalf of the Sports Commission and my fellow Board members, we are pleased to appear before you tonight to seek approval for the new Washington Nationals Ballpark. We are honored to follow Mayor Williams and we are pleased to have his support for this important project.

As you are aware, Mayor Williams is the principal architect behind the Anacostia Waterfront Initiative and the Anacostia Waterfront Corporation. We share his vision of a vibrant, living waterfront and believe that the Ballpark will serve as a catalyst for the redevelopment of the waterfront in general and the ballpark district in particular. In a technical sense, the District of Columbia Sports and Entertainment Commission is the ZONING COMM

CASE NO.06-22 EXHIBIT NO.38 applicant in this proceeding. The Sports Commission, however, is an instrumentality of the District government and has been charged by the Mayor and the Council with developing the Ballpark on time and on budget.

The Commission is required to build a Ballpark that complies with the program of requirements agreed to as part of the District's contractual relationship with Major League Baseball. That program requires a first-class, open air Ballpark with at least 41,000 seats. The Ballpark will also have luxury suites, a Club Level, and concession areas that are consistent with current standards and similar to those found in the six most recently completed Ballparks. Although not technically required by the program, the Commission has caused its architects to design a Ballpark that reflects the character of the District of Columbia and that is timeless and befitting of the nation's Capitol

Today, we are seeking approval of two parking plans. As the Mayor has discussed, it is imperative that both plans be approved so as to ensure that we can discharge our responsibility to the District and its citizens to deliver the ballpark on time and on budget. Tonight, we need your help and we ask the Zoning Commission to approve both plans. We, as does the Mayor, prefer the Western Development plan. There are, however, several conditions that must be met before we can proceed with that plan

First, the Council must approve the land disposition on July 11 before it goes into recess this summer. Second, adequate financial resources must be put in place to fund the parking and development. Third, a performance guaranty must be in place to ensure "substantial completion" of the required on-site parking by March, 2008

All of this must be accomplished in a very short-time frame. In fact, these conditions must be met by July 24, 2006, and, although everyone is working as hard as possible to accomplish these tasks, it is always possible that some or all of these approvals cannot be obtained.

Our contract permits the District to pursue what is referred to as "separate development" on the ballpark site provided it does not jeopardize our ability to deliver the ballpark on time and that it satisfies certain other conditions set forth in the agreements. Our contract also requires the Sports Commission to use its "reasonable best efforts" to deliver 1,225 parking spaces on the ballpark site in time for the 2008 season. If we do not deliver the parking on time, we will jeopardize the District's reputation and could be exposed to substantial claims from the Nationals.

Our construction professionals have told us that we must begin designing the above grade parking garages no later than August 1, 2006 in order for those structures to be delivered on time for the 2008 baseball season. Thus, if the Western Development proposal is not approved by that date, we will need to proceed with the above grade garages in order to comply with our contractual obligations and to protect the reputation of the District as well as its financial position

We appreciate that the Capital Gateway Overlay District contemplates that parking on the ballpark site will be below grade. Those zoning regulations, however, permit the Zoning Commission to waive that requirement upon a finding of "practical difficulty". In our application, we have requested such a waiver as the funding that was authorized by the Council for the District of Columbia is only sufficient to construct above grade garages. The financing plan that was presented to the Council earlier this

year contemplated that developers such as Western would fund the incremental cost increase associated with the difference between below grade and above grade parking. Both the legislation and our contractual obligations, however, may make it impossible for a private developer to fund those parking structures in a timely manner so as to permit us to discharge our obligations. Simply put, we believe that those facts constitute practical difficulty and would fully justify the requested waiver

Moreover, in response to questions asked by various members of the Zoning Commission at its last hearing on this matter, we have asked our consultants to review how parking is provided at other recently constructed ballparks. With regard to five of the six comparable facilities that we studied, parking was either provided on grade or in above grade parking structures. Thus, we do not believe our request is unusual given the nature of a ballpark or that it will adversely impact the ballpark district.

If we are required to proceed with the above grade parking, we plan to design and construct those garages in such a manner so as to ensure that they will complement the design of the ballpark and that they will blend into the ballpark district. We believe these goals can be achieved and our architects will show the Commission how it can be achieved later tonight

With that and unless you have any questions, we will turn the podium over to our Chief Executive Officer, Allen Lew