

# [***Virginia House leaders dispute governor's claim that their consultant heaped praise on arena deal***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BKS-0TP1-DYMD-61J0-00000-00&context=1516831)

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**Body**

RICHMOND, Va. — Top legislators in the Virginia House of Delegates are disputing Gov. Glenn Youngkin’s claim that an independent consultant they hired gave a clean bill of health to his proposal to lure two Washington sports teams to the city of Alexandria.

Youngkin, a Republican, has hosted a series of campaign-style events in recent weeks to rally public support for the deal and turn up the heat on legislators, especially Democratic Sen. L. Louise Lucas, a leading opponent. The [*Democratic-controlled General Assembly*](https://apnews.com/article/virginia-general-assembly-glenn-youngkin-session-budget-9daa9a107da3a8027541a9ef9b0c5181) wrapped up its session earlier this month without approving the proposal, which is aimed at landing the NHL’s Washington Capitals and NBA’s Washington Wizards.

The measure envisions a $2 billion mixed-use development featuring a new arena that would be built just a few miles across the Potomac River from where the teams currently play. It would bring Virginia its first major pro sports franchises.

The Senate’s senior-most member, Lucas [*prevented her chamber*](https://apnews.com/article/virginia-glenn-youngkin-washington-sports-arena-c1b8fe38718a2560feef6baee7207faf) from considering the proposal, even though the [*House of Delegates*](https://apnews.com/article/washington-wizards-capitals-alexandria-arena-plan-4909bd79280fd5716d9130c253d75573) gave an initial sign-off.

“The House did all the work,” Youngkin told a crowd at a recent event at a Richmond-area restaurant. “They hired outside advisers. They brought in experts that had seen these kinds of projects before. They got not only a clean bill of health but they actually were told, ‘This may be the best thing we’ve ever seen.'”

Legislators in the House did hire outside counsel to assist them in their review of the proposal, according to interviews with legislators and documents obtained through a public records request. But both House Speaker Don Scott and House budget committee chairman Luke Torian said Youngkin's remarks — similar to those given in other speeches — were inaccurate and far overstated the scope of the firm's work.

The firm had seen potential for a “great” opportunity in the structure of the deal, if the underlying assumptions were borne out by a financial review, something that never fully got underway because talks collapsed, according to Scott, who said the governor was “embellishing."

Youngkin's press office didn't directly address questions from The Associated Press about his remarks. But a spokesman, Rob Damschen, said in a written statement that the governor appreciated the work the House had undertaken to “verify what he’s known throughout — all Virginians stand to benefit from the revenues created by this project.”

The back-and-forth over the outside review — one of several [*undertaken to study the proposal*](https://www.washingtonpost.com/dc-md-va/2024/03/14/virginia-arena-financial-economic-impact-youngkin/) — comes amid ongoing budget talks between Youngkin, Torian and Lucas, who chairs the Senate money committee. The parties are at odds not only over the arena, and whether language underpinning it should be in the state spending plan, but other core provisions of the budget.

The budget that Democrats sent Youngkin looked almost nothing like the proposal [*he introduced*](https://apnews.com/article/youngkin-virginia-budget-income-tax-sales-tax-de46f03a22c7937a56bc91c910e30bf3). He's been campaigning against it in [*his public appearances*](https://apnews.com/article/glenn-youngkin-virginia-general-assembly-budget-466b1cd1ed828d5165f5468a9b893115), calling it the “backward budget" because it includes a version of the sales tax expansion he proposed but without the accompanying income tax cut he sought, which would have reduced tax revenues overall.

Youngkin is demanding changes and has said he hopes to work with Lucas and Torian to reach compromise revisions that the Legislature can support when it reconvenes for a one-day session in April to consider the governor's proposed amendments to legislation.

The trio met virtually Tuesday to discuss the path forward.

In a letter dated Wednesday to Torian and Lucas obtained by the AP, Youngkin thanked them for the meeting, said he wanted to avoid a “protracted fight into the summer” and reiterated that he would not sign a budget that increases taxes.

Torian said Tuesday's meeting was cordial, but he criticized the governor for his opposition to the sales tax expansion, given that Youngkin had initially proposed it.

As for the House's review of the arena deal, Anne Oman, the staff director of the House Appropriations Committee, wrote in an email that Scott asked the committee to engage outside counsel to help with document review related to the project.

In response to an open records request from the AP, Oman provided 42 pages of documents that included an engagement letter with the law firm Jones Walker, and exchanges over language related to a different sports facility and a proposed amendment to the legislation.

“Because the firm was not engaged until January 31, and the negotiations fell apart prior to final consideration of legislation, we have no further analysis from the firm,” Oman wrote.

Torian said no kind of comprehensive report was presented and Youngkin's comments about the firm's findings were inaccurate.

Youngkin and the teams' majority owner, Ted Leonsis, [*announced at a public event in December*](https://apnews.com/article/washington-wizards-capitals-arena-youngkin-bowser-b0ebef181ede2ec5c66a7c6cfc9a6314) that they had reached an understanding on the outlines of a plan.

The proposal calls for the General Assembly to set up an authority that would issue bonds to finance the majority of the project, backed partly by the city and state governments and repaid through a mix of projected tax revenues recaptured from the development.

Youngkin and other supporters have pointed to projections that the deal would generate tens of thousands of jobs for Virginia, along with new tax revenues beyond what's needed to cover the financing to help support government services.

But the deal has gotten pushback not only from Lucas but [*from labor unions*](https://apnews.com/article/arena-virginia-union-governor-wizards-capitals-817f11a403e12ce01cbe4397038e333b), Alexandria residents concerned about traffic, and D.C. officials who fear the loss of the teams [*will devastate downtown Washington.*](https://apnews.com/article/wizards-capitals-chinatown-crime-washington-virginia-stadium-527ac940c1743363b1afcddd1a1c6dee)

Scott stopped short of saying in the interview that the project is dead. But he said the governor's current public campaign isn't helping and is only further alienating Lucas, [*who told WTOP*](https://wtop.com/virginia/2024/03/only-on-wtop-va-state-senator-whos-blocked-alexandria-arena-plan-doubtful-compromise-can-be-reached/) and [*The Washington Post*](https://www.washingtonpost.com/dc-md-va/2024/03/20/virginia-youngkin-arena-lucas-wizards-capitals-budget/) this week that the arena remains a “nonstarter."

“He's running a campaign on divisiveness and half-truths,” Scott said, comparing Youngkin's “juvenile” public events to a “spoiled brat not getting his way.”

Youngkin has been sharply critical of Democrats at his recent events, but his office did not respond to a request for comment about Scott's remarks. And the governor struck a more conciliatory tone in the letter, writing that “we need not succumb to Washington, D.C.-style ***politics***.”

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