

## GOVERNMENT OF THE DISTRICT OF COLUMBIA Dupont Circle Advisory Neighborhood Commission 2B

December 20, 2017

Councilmember Jack Evans
Chair, Committee on Finance and Revenue
Council of the District of Columbia
1350 Pennsylvania Avenue NW, Suite 106
Washington, DC 20004
jevans@dccouncil.us

RE: DC Council Bill B22-0361 – the "Scottish Rite Temple Vacant Property on Lot 108 Real Property Tax Abatement Act of 2017" and DC Council Bill B22-0592 – the "Penelope Hotel Lots 827 and 7000 and Square 0137 Real Property Tax Abatement Act of 2017"

## Dear Councilmember Evans:

At its regular meeting on December 13, 2017, the Dupont Circle Advisory Neighborhood Commission ("ANC 2B" or "Commission") considered the above-referenced matter. With 9 of 9 Commissioners in attendance, a quorum at a duly-noticed public meeting, the Commission approved the following resolution by a vote of (8-0-0):

WHEREAS, there are bills before the DC Council regarding tax abatements for two locations in ANC 2B: the Scottish Rite Masonic Temple (the Temple) at 1733 16th Street NW (DC Council Bill 22-0361) and 1320 Penelope LLC (the Penelope Hotel) at 1337 Connecticut Avenue NW (DC Council Bill 22-0592),

WHEREAS, both pro-business and progressive groups agree that tax abatements can be an effective tool in urban planning, helping to jump-start development in struggling areas, helping to offset developers' infrastructure improvement costs in major projects, or providing affordable housing or other amenities,

WHEREAS, tax abatements also shift the tax burden to those who do pay taxes,

WHEREAS, ANC 2B generally believes that tax abatements should be denied unless the applicant can show a demonstrable public good or quantifiable provision of affordable housing or other such amenities beyond the minimum legally required,

WHEREAS, ANC 2B believes that there should be a process in place for determining the need and benefits of proposed tax abatements,

WHEREAS, the DC Office of the Chief Financial Officer has deemed the proposed tax abatement for the Masonic Temple "not necessary" with an analysis outlining alternative financing methods, and is expected to issue an analysis for the Penelope Hotel, and

WHEREAS, the applications for tax abatements by the Masonic Temple and the proposed Penelope Hotel do not meet the minimum standards of public amenities or public good to offset the loss of tax revenue for ANC 2B support.

THEREFORE, BE IT RESOLVED that ANC 2B opposes the tax abatements for the Masonic Temple on 16th Street NW and for the proposed Penelope Hotel on Connecticut Avenue NW.

Commissioners Nick DelleDonne (<u>nick.delledonne@dupontcircleanc.net</u>), Kari Cunningham (<u>kari.cunningham@dupontcircleanc.net</u>), and Nicole McEntee (<u>nicole.mcentee@dupontcircleanc.net</u>) are the Commission's representatives in this matter.

ON BEHALF OF THE COMMISSION.

Sincerely,

Nicole McEntee

Chair