COUNCIL OF THE DISTRICT OF COLUMBIA
JOHN A. WILSON BUILDING
1350 PENNSYLVANIA AVENUE, NW
WASHINGTON, DC 20004

MATTHEW FRUMIN
Councilmember, Ward 3

COMMITTEE MEMBER
Executive Administration and Labor Facilities and Family Services Hospital and Health Equity Housing
Transportation and the Environment

Nyasha Smith
Secretary of the Council
1350 Pennsylvania Avenue NW
Washington, DC 20004
February 23, 2023

## Dear Secretary Smith:

Today, I am introducing the "Friendship Heights Business Improvement District Amendment Act of 2023". This legislation would create the District's twelfth Business Improvement District (BID) to support the revitalization of the Friendship Heights neighborhood in Northwest DC along the Maryland border. A signed copy of the bill is enclosed.

Driven by property owners, businesses, and community leaders, the new BID will advance the revitalization of Friendship Heights through on-the-ground economic development efforts like placemaking, capital improvements, expanded security and maintenance, and promotion for local businesses. The BID model has long been successful in DC, and the proven local business-driven effort in Friendship Heights will support a robust economic recovery in the coming years.

By establishing a Business Improvement District in Friendship Heights, the District can support the revitalization of the neighborhood and pursue expanded economic opportunity for businesses and residents along the corridor.

Sincerely,


Matthew Frumin
Councilmember for Ward 3


A BILL

## IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Business Improvement District Act of 1996 to authorize the establishment and administration of the Friendship Heights Business Improvement District.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this Act may be cited as the "Friendship Heights Business Improvement District Amendment Act of 2023".

Sec. 2 The Business Improvement District Act of 1996, effective May 29, 1996 (D.C. Law 11-134; D.C. Official Code § 2-1215.01 et seq.), is amended by adding a new section 212 to read as follows:
"Section 212. Friendship Heights BID.
"(a) Subject to review and approval by the Mayor under §§ 2-1215.05 and 2-1215.06, the formation of the Friendship Heights BID, including nonexempt real property within the geographic area set forth in subsection (b) of this section, is authorized and the BID taxes imposed in subsection (c) of this section shall be imposed through the earlier of the expiration of this subchapter or the termination or dissolution of the BID.
"(b) The Friendship Heights BID shall be comprised of the geographic area bounded by a line that starts beginning at the intersection of the southeast line of Western Avenue, N.W. and the northeast line of Wisconsin Avenue, N.W., said beginning also being the northwest corner of

Square 1661; with said southeast line of Western Avenue, N.W., Northeasterly, to the south line of Military Road, N.W.; thence continuing with said south line of Military Road, N.W., East, to the west line of 43rd Street, N.W.; thence continuing with said west line of 43rd Street, N.W., South, to a northeast corner of former Lot 31, Square 1661; thence continuing with a southeasterly line of former Lot 31, Square 1661, Southwesterly, to a northeast corner of Lot 855, Square 1661 ; thence, continuing with an easterly line of said Lot 855 , Square 1661, Southerly, to a point of curve; thence continuing along an east boundary of said Lot 855, Square $1661,39.13$ ' on the arc of a curve to the left of radius $103.08^{\prime}$, to a point of tangent; thence continuing along an east boundary of said Lot 855 , Square 1661 , Southeasterly, to a point of curve; thence continuing along an east boundary of said Lot 855 , Square $1661,27.71^{\prime}$ on the arc of a curve to the right of radius $73.04^{\prime}$, to a point of tangent; thence continuing along an east boundary of said Lot 855 , Square 1661, Southerly, to a north line of Lot 817 , Square 1661; thence, continuing with a north line of Lot 817, Square 1661, Easterly, to the northeast corner of said Lot 817, Square 1661; thence with the east line of said Lot 817, Square 1661, South, to the north line of Jenifer Street, N.W.; thence running across Jenifer Street, N.W., Southeasterly, to the intersection of the south line of Jenifer Street, N.W. and the west line of 43rd Street, N.W., said intersection also being the northeast corner of Square 1659; thence with said west line of 43rd Street, N.W., South, to the north line of Ingomar Street, N.W., said intersection also being the southeast corner of Square 1659; thence running across Ingomar Street, N.W., Southeasterly, to the northeast corner of Lot 10, Square 1665 , and the southwest line of a 15 ' public alley in Square 1665; thence with said southwest line of $15^{\prime}$ public alley, Southeasterly, to the south line of a $15^{\prime}$ public alley in Square 1665 ; thence with said south line of $15^{\prime}$ public alley, East, to a corner of former Lot 11, Square 1665; thence with a west line of said former Lot 11, Square 1665, Southeasterly, to a corner of said former Lot 11, Square 1665; thence with a northwest line
of said former Lot 11, Square 1665, Southwesterly, to the north most corner of Lot 2001, Square 1665; thence with an east line of said Lot 2001, Square 1665, Southeasterly, to a corner thereof;; thence with an east line of said Lot 2001, Square 1665, South, to the north line of Harrison Street, N.W.; thence running across Harrison Street, N.W., Southeasterly, to the intersection of the south line of Harrison Street, N.W., and the west line of 42nd Street, N.W., said intersection also being the northeast corner of Square 1666; thence with said west line of 42 nd Street, N.W., South, to the north line of Garrison Street, N.W. and the southeast corner of Square 1666; thence running across Garrison Street, N.W., Southwesterly, to the northeast corner of former Lot 37, Square 1669 and the southwesterly line of a $10^{\prime}$ public alley in Square 1669; thence with said southwesterly line of 10 ' public alley, Southeasterly, to the southeast corner of Lot 34 , Square 1669; thence running across said public alley in Square 1669, Southeasterly, to the northeast corner of Lot 26, Square 1669, and the west line of 42 nd Street, N.W.; thence, with said west line of 42nd Street, N.W., South, to the north line of Fessenden Street, N.W.; thence with said north line of Fessenden Street, N.W., West, to the northeast line of Wisconsin Avenue, N.W.; thence running across Wisconsin Avenue, N.W., Westerly, to the intersection of the north line of Fessenden Street and the southwest line of Wisconsin Avenue, N.W.; thence with said north line of Fessenden Street, N.W., West, to a southwest corner of Lot 11, Square 1655; thence with the boundary of said Lot 11, Square 1655, North, to a corner of said lot; thence continuing along the boundary of said Lot 11, Square 1655, West, to another corner of said lot; thence continuing along the boundary of said Lot 11, Square 1655, North, to another corner of said lot; thence continuing along the boundary of said Lot 11 , Square 1655, West, to another corner of said lot; thence continuing along the boundary of said Lot 11 , Square 1655, South, to another corner of said lot; thence continuing along the boundary of said Lot 11 , Square 1655, West, to another corner of said lot; thence continuing along the boundary of said Lot 11, Square 1655, North, to
another corner of said lot; thence continuing along the boundary of said Lot 11, Square 1655, East, to another corner of said lot; thence continuing along the boundary of said Lot 11, Square 1655, North, to the southwest corner of Lot 9, Square 1655; thence with the west line of said Lot 9, Square 1655, North, to the south line of Garrison Street, N.W.; thence running across Garrison Street, N.W., Northwesterly, to the southwest corner of Lot 9, Square 1656, and the east line of 16' public alley in Square 1656; thence with said east line of public alley, North, to the south line of Harrison Street, N.W.; thence running across Harrison Street, N.W., Northeasterly, to southwest corner of Lot 23, Square 1657 and the intersection of the north line of Harrison Street and the northeasterly line of $20^{\prime}$ public alley in Square 1657 ; thence with said northeasterly line of $20^{\prime}$ public alley, Northwesterly, to the east extension of the north line of a $16^{\prime}$ public alley in Square 1657; thence with said east extension and said north line of a 16' public alley in Square 1657, West, to the east line of 44th Street, N.W.; thence crossing said 44th Street, N.W., Southwesterly, to a southeast corner of Lot 33, Square 1580; thence with the south line of said Lot 33, Square 1580, West, to the east line of 45th Street, N.W.; thence with said east line of 45th Street, N.W., North, to a corner of Lot 33, Square 1580; thence with the northeast line of 45th Street, N.W., Northwesterly, to the southeast line of Western Avenue, N.W.; thence with said southeast line of Western Avenue, N.W., Northeasterly, to the southwesterly line of Jenifer Street, N.W.; thence crossing Jenifer Street, N.W., Northeasterly, to the west most corner of Lot 811, Square 1660 , said corner also being the intersection of the southeast line of Western Avenue, N.W. and the northerly line of Jenifer Street, N.W.; thence with said southeast line of Western Avenue, N.W., Northeasterly, to the southwest line of Wisconsin Avenue, N.W.; thence running across Wisconsin Avenue, N.W., Northeasterly, to the intersection of the northeast line of Wisconsin Avenue, N.W. and the southeast line of Western Avenue, N.W., and the place of beginning.
"(c)(1) The BID taxes for nonexempt properties in the Friendship Heights BID shall be as follows:
(A) The amount of $\$ 0.165$ per square foot for each net rentable square foot for Class 2 Properties, excluding hotels;
(B) The amount of $\$ 120$ per hotel or motel room annually; and
(C)(i) The amount of $\$ 120$ per unit annually of Class 1 property that contains 5 or more residential units available for rental for non-transient residential dwelling purposes that were placed in service after the effective date of the Rental Housing Act of 1985, effective July 17, 1985 (D.C. Law 6-10; D.C. Official Code § 42-3501.01 et seq.). All other Class 1 property is exempt from this BID tax.
"(ii) If a residential unit is restricted to residents based upon income pursuant to a Federal or District affordable housing program, the BID tax due on the unit shall be computed by applying the percentage of area median income eligible residents must meet to participate in the affordable housing program to the amount of the BID tax which would otherwise be due.
"(2) To the extent that a building that is subject to the BID tax is constructed pursuant to a ground lease on land that is exempt from real property taxes, the assessed value of the real property for purposes of the BID tax shall include the value of the building and the leasehold interest, possessory interest, beneficial interest, or beneficial use of the land, and the lessee or user of the land shall be assessed the corresponding BID tax, which shall be collected in the same manner as possessory interest taxes under $\S 47-1005.01$, or as otherwise provided in this subchapter.
"(3) If a residential unit is restricted to residents based upon income pursuant to a Federal or District affordable housing program, any residential unit with a household income of 100 percent or less of the Area Median Income shall be exempt from BID tax that would otherwise be due on the unit.
"(4) Subject to the requirements of § 2-1215.08(b), a 3\% annual increase in the BID taxes over the current tax year rates specified in paragraph (1) of this subsection is authorized." Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 4. Effective date.
This act shall take effect following the approval by the Mayor (or in the event of a veto by the Mayor, action by the Council to override the veto), a 30-day period of congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-2602.02(c)(1)), and publication in the District of Columbia Register.

