

Government of the District of Columbia  
Office of the Chief Financial Officer



Jeffrey S. DeWitt  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeffrey S. DeWitt  
Chief Financial Officer

**DATE:** October 17, 2017

**SUBJECT:** Fiscal Impact Statement – Closing of a Public Alley in Square 772, S.O. 16-25615, Act of 2017

**REFERENCE:** Bill 22-280, Committee Print provided to the Office of Revenue Analysis on October 13, 2016

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**Conclusion**

Funds are sufficient in the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the bill. The bill will reduce District assets by approximately \$900,000, but assets are not part of the District's budget and there is no fiscal impact associated with the alley closure.

**Background**

The bill authorizes the closure of a dead-end public alley located between Lots 22 and 23 in what is known for tax and assessment purposes as Square 772. The lots are within the block bordered by N Street, N.E. and Florida Avenue, N.E. to the north, 3<sup>rd</sup> Street, N.E. to the west, 4<sup>th</sup> Street, N.E. to the east, and a public alley to the south. The developer will close the 3,000 square-foot alley to facilitate construction of a mixed-use development on the site consisting of 366 residential units, retail and office space, a 175-room hotel, and 250 parking spaces. The authorization is subject to an easement over the surface of a portion of the closed alley.

**Financial Plan Impact**

Funds are sufficient in the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the bill. Based on the assessed value of the abutting properties, the portions of the alley that the District will close are valued at approximately \$900,000, but assets are not a part of the District's budget and there is no cost associated with the alley closure. The property will become taxable to the District, but the amount of tax revenues will depend on the assessed value of the mixed-use development that the developer is planning for the abutting properties and is unknown at this time. No District agencies or utilities objected to the alley closure.