

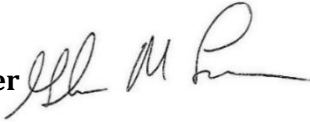
Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

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

FROM: Glen Lee
Chief Financial Officer 

DATE: July 8, 2024

SUBJECT: Fiscal Impact Statement – Closing of a Public Alley in Square 5051, S.O. 21-00136, Act of 2024

REFERENCE: Bill 25-614, Draft Committee Print as provided to the Office of Revenue Analysis on June 27, 2024

Conclusion

Funds are sufficient in the fiscal year 2024 budget and the fiscal year 2025 through fiscal year 2028 budget and financial plan to implement the bill.

Background

The Northeast Heights development project is a mixed-use project that includes commercial office buildings, residential buildings, and retail spaces. The Department of General Services has already moved its headquarters into a commercial building that is part of the development.

The bill approves the closing of approximately 2,011 square feet of public alley land located within the block bounded by Minnesota Avenue, N.E., Dix Street, N.E., and Clay Place, N.E.¹ This closure will support the development of an additional commercial office building located along Dix Street N.E. The bill also requires the applicant to satisfy any conditions requested by Washington Gas prior to finalizing the closure of the public alley.

¹ The closures include a portion of the alley located between the properties known for tax assessment purposes as Square 5051, Lots 28 and 29 and a small portion of the alley located at the eastern end of Lot 29.

The Honorable Phil Mendelson

FIS: Bill 25-614, "Closing of a Public Alley in Square 5051, S.O. 21-00136, Act of 2024," Draft Committee Print as provided to the Office of Revenue Analysis on June 27, 2024

Financial Plan Impact

Funds are sufficient in the fiscal year 2024 budget and the fiscal year 2025 through fiscal year 2028 budget and financial plan to implement the bill. The bill closes approximately 2,000 square feet of a public alley to support a private development project. This land will now be taxable as part of the adjoining lots, which will be combined under one project.

Washington Gas objected to the closure due to the presence of active Washington Gas facilities within the alley portions to be closed. The closure is contingent upon the developer providing Washington Gas with an easement or paying to relocate the facilities. The District Department of Transportation (DDOT) also objected to the closure over tree concerns. The DDOT objection has not been resolved as part of the alley closure application, but it does not pose a fiscal concern.