



Government of the District of Columbia
**Advisory Neighborhood
Commission 6C**

December 1, 2017

The Hon. Phil Mendelson
Chairman
Council of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue NW
Suite 504
Washington, D.C. 20004

Re: ANC 6C Opposition to B22-382 (Union Market Tax Increment Financing Act of 2017)

Dear Chairman Mendelson:

We write¹ to state our unanimous opposition to B22-382, the Union Market Tax Increment Financing Act of 2017. As detailed below, we believe that dedicating \$36 million in taxpayer money to subsidize private parking garages at Union Market is unnecessary to the success of Union Market; would improperly enrich private developers with public funds; and would generate additional automobile traffic on a public road—Florida Avenue—desperately in need of reconfiguration to reduce traffic volumes and speeds.

Background

Because Union Market lies just outside ANC 6C's boundaries, we are keenly interested (and involved) in its revitalization. Planning decisions for the Market will have direct, long-term consequences for the commercial and residential areas immediately across Florida Avenue, our northern boundary.

For that reason, we have actively participated for many years in the planning and public review of many of the Market's recent and current development projects. ANC 6C testified (and in several cases obtained party status) in numerous Zoning Commission cases, including ZC 06-40 (340 Florida Avenue); ZC 15-01 (320 Florida Avenue); and ZC 14-07 (1250-1270 4th St.). We have in most cases enthusiastically supported these projects, provided that their urban design, transportation plans, and public benefits and amenities support the overall goals for Union Market expressed in the Small Area Plan approved by the Council in 2009.

¹ On November 8, 2017, at a duly noticed, regularly scheduled monthly meeting of ANC 6C, with a quorum of 6 out of 6 commissioners and the public present, the Commission voted 6-0 to adopt the positions set forth in this letter.

Similarly, ANC 6C has in recent years engaged frequently and directly with DC DDOT to discuss the dangerous traffic conditions along the Florida Avenue corridor. On multiple occasions, we have stated our strong support for changes to lower motor vehicle speeds, reduce car and truck volume overall, and improve pedestrian and cyclist safety by creating separated bike lanes and widened public sidewalks.

B22-382's Negative Impacts and Market-Distorting Effects

Bill 22-0382 would provide \$82 million in public financing for development at Union Market. Of that figure, \$46 million would go to upgrades for public infrastructure, such as water and sewer service. The remaining \$36 million is proposed to subsidize retail parking for certain lots in the Market area.

As the Council knows, the purpose of a TIF is to kick-start development for an area or project that would otherwise not be able to self-sustain growth over time. The simple fact is that Union Market is already thriving as a retail destination, with numerous additional projects either substantially constructed or approved by the Zoning Commission as PUDs. Public funds are unnecessary to the future success of this already successful, rapidly expanding commercial center.

We further note that many of the properties within the proposed TIF's geographic area (and thus eligible for parking subsidy) **are already built**. An example is 1250 4th St. NE, an Edens project on which ANC 6C weighed in during 2015. That project was approved for 480-750 underground spaces which, in the applicant's own words, "will serve not only the uses within the Project ... but also be open to the public and satisfy broader parking demand within the Union Market neighborhood." In other words, excess parking capacity been planned and built for this and other UM projects without any need for government subsidy. To publicly fund this already-built project is a giveaway to developer after the fact.

The October 11 report of the Committee on Finance and Revenue claims that Union Market "is a vehicular ... destination by nature." *See* p. 3. We respectfully submit that this statement is fundamentally incorrect. The Market's already substantial customer base within walking distance will explode in the next few years as new housing is built not only within the Market area itself, but also south of Florida Avenue. These projects, which ANC 6C actively reviewed and supported, include ZC 15-28 (301-331 N St. NE); ZC 15-22 (301 Florida Avenue); ZC 14-19 (300 M St. NE); and ZC 16-09 (1200 3rd St. NE/Central Armature site). Taken together, these developments will bring thousands of new residents to Union Market's doorstep.

Moreover, Union Market is extremely close to the NoMa-Gallaudet Metro station, and should eventually become even more accessible. As one of the benefits of the 1200 3rd St. PUD, the developer has already agreed—and the Zoning Commission has approved—to include a pedestrian plaza and tunnel west of 3rd St., along the former N St. right of way, connecting the west side of the Amtrak railroad tracks (and thus the N St. entrance to NoMa-Gallaudet station) with 3rd St. and points east, including Union Market.

Dedicating public funds to additional motor vehicle parking at Union Market would, in effect, make the Committee report a self-fulfilling prophecy by favoring one transportation mode, cars, over other modes. Adding parking will only increase the amount of motor-vehicle traffic on Florida Avenue, which is precisely contrary to the need—long noted by ANC 6C—to reduce the number of lanes, lower average vehicle speeds, and support alternative modes such as walking and cycling.

Developers for Union Market have already told the Zoning Commission that their projects are economically viable with the amount of parking incorporated into their past applications. Using public funds to pay for additional parking would only distort the market and run counter to the efforts ANC 6C and DDOT have made to plan for a less highway-like Florida Avenue.

ANC 6C supports the legislation's call for \$46 million in TIF funding to support substantial upgrades to public infrastructure such as water, sewer, and electrical service to the Market area. However, we strongly oppose dedicating District taxpayer money—let alone \$36 million of it—to an unwise and unnecessary giveaway to private developers for additional car parking. Accordingly, we call on the Council to reject B22-382 in its present form and to strip out the \$36 million parking subsidy.

Thank you for giving great weight to the views of ANC 6C.

Sincerely,



Karen Wirt
Chair, ANC 6C

cc: all Councilmembers