

**AN ACT**

**Bill 20-875**

**Emergency  
Declaration  
Res. 20-572  
20 DCStat 3987**

*To amend, on an emergency basis, the Business Improvement Districts Act of 1996 to authorize the establishment and administration of the Southwest Business Improvement District.*

**Codification  
District of  
Columbia  
Official Code  
2001 Edition**

**Southwest  
Business  
Improvement  
District  
Emergency  
Amendment  
Act of 2014**

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Southwest Business Improvement District Emergency Amendment Act of 2014”.

Sec. 2. The Business Improvement Districts Act of 1996, effective May 29, 1996 (D.C. Law 11-134; D.C. Official Code § 2-1215.01 *et seq.*), is amended as follows:

(a) Section 3 (D.C. Official Code § 2-1215.02) is amended as follows:

**Note,  
§ 2-1215.02**

(1) A new paragraph (17A) is added to read as follows:

“(17A) “Net rentable square feet” means the number of net rentable square feet reported to, or on record with, the Office of Tax and Revenue.”.

(2) Paragraph (18) is amended by striking the phrase “or Capitol Riverfront BID,” and inserting the phrase “Capitol Riverfront BID, Anacostia BID, or Southwest BID,” in its place.

(b) Section 4(b) (D.C. Official Code § 2-1215.04(b)) is amended by striking the phrase “or Anacostia” and inserting the phrase “Anacostia, or Southwest” in its place.

**Note,  
§ 2-1215.04**

(c) A new section 210 is added to read as follows:

**Note, New  
§ 2-1215.60**

“Sec. 210. Southwest BID.

“(a) Subject to the requirements of sections 5 and 6, the formation of the Southwest BID, including nonexempt real property within the geographic area set forth in subsection (b) of this section, is authorized and the BID taxes established in subsection (c) of this section shall be imposed through the expiration of this act or the termination or dissolution of the BID.

“(b) The Southwest BID shall be comprised of the geographic area bounded by a line that starts at the center of the street at the intersection of 15<sup>th</sup> Street, S.W., and Independence Avenue, S.W.; continuing east along the center line of Independence Avenue, S.W., to the center of the intersection of Independence Avenue, S.W., and 2<sup>nd</sup> Street, S.W.; continuing south along the center line of 2<sup>nd</sup> Street, S.W., to the western boundary of the Southeast-Southwest Freeway (I-395); continuing south and southeast along the southwestern boundary of the Southeast-Southwest Freeway (I-395) to the intersection of the Southeast-Southwest Freeway (I-395) and South Capitol Street; continuing south along the center line of South Capitol Street to the

intersection of the center line of South Capitol Street and the southern boundary of M Street, S.W.; continuing along southern boundary of M Street, S.W., to the center of the intersection of southern boundary of M Street, S.W., and center line of 6<sup>th</sup> Street, S.W.; continuing along the center line of 6<sup>th</sup> Street, S.W., to the intersection of 6<sup>th</sup> Street, S.W., and the water's edge of the Washington Channel; continuing along the bank of the Washington Channel northwest to the intersection of the bank of the Washington Channel and 15<sup>th</sup> Street, S.W.; continuing along the center line of 15<sup>th</sup> Street, S.W., to the center of the intersection of 15<sup>th</sup> Street, S.W., and Independence Avenue, S.W.; provided, that the lots located in Squares 0267, 0268, and 0299 shall not be included within the Southwest BID.

“(c)(1) The BID taxes for the nonexempt properties in the Southwest BID shall be:

“(A)(i) The amount of \$0.15 per square foot for each net rentable square foot of improved Class 2 Property, excluding property defined in D.C. Official Code § 47-813(c-3)(3) and property covered by sub-subparagraph (iii) of this subparagraph for any property for which the owner is required to report net rentable area to the Office of Tax and Revenue or for which the Office of Tax and Revenue has records indicating the net rentable area of the property;

“(ii) The amount of \$0.15 per square foot for each equivalent net rentable square foot of improved Class 2 Property, excluding property defined in D.C. Official Code § 47-813(c-3)(3) and property covered by sub-subparagraph (iii) of this subparagraph for any property for which the owner is not required to report net rentable area to the Office of Tax and Revenue and for which the Office of Tax and Revenue maintains no record of net rentable area. Equivalent net rentable area shall be 90% of gross building area. Gross building area shall be determined using any method that is generally recognized in the Washington Metropolitan area as an appropriate method for measuring gross building area;

“(iii) Notwithstanding sub-subparagraphs (i) and (ii) of this subparagraph, the total BID tax due on a property or assembly of properties (if the property occupies more than one taxable lot) shall not exceed \$100,000 in any year; provided, that this cap may be increased each year proportionately to the applicable annual increase in the BID tax, regardless of whether the BID tax is increased pursuant to paragraph (3) of this subsection or other law;

“(B) The amount of \$0.35 per gross building area for improved vacant and the amount of \$0.35 per gross square feet of land area of unimproved vacant Class 2 Property, Class 3 Property, and Class 4 Property;

“(C) The amount of \$100 per hotel or motel room for property defined in D.C. Official Code § 47-813(c-3)(3); and

“(D) The amount of \$120 per unit of Class 1 Property that contains 10 or more residential units available for rental for nontransient residential dwelling purposes.

“(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 use of the land shall be assessed the corresponding BID tax, which shall be a personal

liability of the lessee. Delinquencies shall be collected in the same manner as possessory interest taxes under D.C. Official Code § 47-1005.01, or as otherwise provided in this act.

“(3) A 4% annual increase in the BID taxes over the current tax year rates specified in paragraph (1) of this subsection is authorized subject to the requirements of section 8(b).”.

**Sec. 3. Fiscal impact statement.**

The Council adopts the fiscal impact statement of the Budget Director as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(3)).

**Sec. 4. Effective date.**

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), and shall remain in effect for no longer than 90 days, as provided for emergency acts of the Council of the District of Columbia in section 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).