



**ADVISORY NEIGHBORHOOD COMMISSION 3C**  
GOVERNMENT OF THE DISTRICT OF COLUMBIA  
CATHEDRAL HEIGHTS • CLEVELAND PARK  
MASSACHUSETTS AVENUE HEIGHTS  
McLEAN GARDENS • WOODLEY PARK

*Single Member District Commissioners*  
01-Lee Brian Reba; 02-Jason Fink; 03-Janell Pagats  
04-Beau Finley; 05-Sauleh Siddiqui; 06-Adam Hoyt  
07- Maureen Kinlan Boucher; 08-Jocelyn Dyer; 09-Nancy MacWood

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**ANC3C Resolution 2022-017**  
**Regarding Policy Proposals to Help Small Businesses Thrive**

RESOLVED: ANC 3C requests that the Department of Small and Local Business Development (DSLBD), the Deputy Mayor for Planning and Economic Development (DMPED), and Council explore adopting strategies to foster small, locally owned businesses, including providing opportunities to protect existing small, locally owned businesses from substantial commercial rent increases.

- Commercial rent stabilization for qualifying small, locally owned businesses coupled with a complementary tax credit for the commercial landlord that participates
  - ANC 3C recommends that a qualifying business has ownership consisting of at least one District resident making up no less than 33% of the ownership. For example, if an ownership group consists of five people, at least two of those people must be District residents.
  - ANC 3C recommends that District officials consider attaching further qualifications, such as but not excluded to maximum gross annual receipts or number of workers employed by business.
  - ANC 3C recommends that District officials create a complementary tax credit for commercial landlords that agree to participate in commercial rent stabilization to provide an incentive for landlords to help keep rents affordable for small, locally owned businesses.
  - ANC 3C recommends that District officials determine an appropriate percentage + inflation formula for permissible commercial rent increases under the program.
- Foster local businesses through commercial set-asides in mixed-use buildings using District funds
  - ANC 3C recommends that District officials require mixed-use and commercial projects that use District funds to set aside no less than 25% of retail or restaurant space for small, locally owned businesses.
  - In addition, to avoid increasing commercial vacancies, ANC 3C also recommends District officials analyze whether there should be a release valve of sorts to prevent a space from staying vacant due to inadequate interest from small, locally owned businesses.
  - ANC 3C further recommends that District officials consider the size, density, or zoning of a project as part of the determination of whether a set aside is required.
- Enforce the vacancy tax and increase the speed at which the commercial vacancy tax is implemented
  - ANC 3C recommends District officials enforce existing vacancy tax provisions and adopt the recommendations of the District Auditor.<sup>1</sup>

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<sup>1</sup> Office of the District of Columbia Auditor, *Significant Improvements Needed in DCRA Management of Vacant and Blighted Property Program* (Sept. 21, 2017), available at <https://dcauditor.org/wp-content/uploads/2018/07/Vacant.Blighted.Report.9.21.17.pdf>.

- ANC 3C recommends District officials consider increasing the speed at which the commercial vacancy tax is implemented to incent more rapid re-use of commercial space, either by tenants or short-term pop-ups.

WHY: Small, locally owned businesses help give neighborhoods character, foster community, and provide good jobs. However, many of these same businesses face substantial hurdles during uncertain economic times. In Cleveland Park, numerous business owners have cited rising, unaffordable commercial rents as one of their biggest challenges. When a business leaves, the space is often left vacant for an extended period of time. In the case of Palena, formerly located at the Park-n-Shop, the space remained vacant for over six years until a new tenant, Chase Bank, moved in. 3407 Connecticut Avenue NW contained a McDonald's for many years, but after the McDonald's closed in 2004, the space remained vacant until 2011. When multiple spaces are vacant for an extended period of time, a neighborhood may begin to look neglected, which can compound the decrease in consumer traffic.

**Attested by**

A handwritten signature in cursive script that reads "Beau Finley". The signature is written in black ink on a white background.

Beau Finley  
Chair, on October 17, 2022

*This resolution was approved by voice vote on October 17, 2022, at a scheduled and noticed public meeting of ANC 3C at which a quorum (a minimum of 5 of 9 commissioners) was present. The Chair and the Commissioners from 3C03, 3C04, and 3C05 or their designee are authorized to represent the Commission on this matter.*