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Councilmember Zachary Parker

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A PROPOSED RESOLUTION

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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To declare the existence of an emergency with respect to the need to amend section §47–4683 of the District of Columbia Official Code to ensure the continued financial viability of the Reservoir District by aligning the project’s tax exemption framework with its financing assumptions.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Reservoir District Tax Exemption Emergency Declaration Resolution of 2026”.

Sec. 2. (a) The Reservoir District is a mixed-use urban community that exemplifies the District’s public-private partnership model, transforming underutilized land into a vibrant residential and commercial neighborhood.

(b) Section §47–4683 of the District of Columbia Official Code provides a tax exemption for Reservoir District Parcels 2 and 4, a critical component of the project’s financing.

(c) The project’s Tax Abatement Financial Analysis (“TAFA”) was structured using the 80 Percent Income Limit Category of the Multifamily Tax Subsidy Project Income Limits established annually by the United States Department of Housing and Urban Development (“HUD”) as the basis for projected residential revenue.

34 (d) The Inclusionary Zoning (“IZ”) rates published by the District of Columbia  
35 Department of Housing and Community Development in February 2026 do not match HUD’s  
36 Multifamily Tax Subsidy Project Income Limits.

37 (e) Requiring the project to operate under the current IZ rates rather than HUD’s  
38 Multifamily Tax Subsidy Project Income Limits would impact the project’s economic feasibility,  
39 delaying or potentially preventing the delivery of the planned housing and associated community  
40 benefits.

41 (f) The proposed amendment provides a tailored correction that would allow the project  
42 to operate using 80 Percent Income Limit Category of the Multifamily Tax Subsidy Project  
43 Income Limits established annually by HUD, as contemplated in its TAFA.

44 (g) Immediate Council action is necessary to avoid delays and prevent disruption to the  
45 project’s development timeline. Without emergency legislation, the gap between the IZ rents and  
46 the rents assumed in the TAFA will put the project’s financial viability at risk during a critical  
47 stage of development.

48 Sec. 3. The Council of the District of Columbia determines that the circumstances in  
49 section 2 constitute emergency circumstances, making it necessary that the Fidelity in  
50 Compliance of Contracting and Procurement Emergency Amendment Act of 2021 be adopted  
51 after a single reading.

52 Sec. 4. This resolution shall take effect immediately.