

Overview and Background:

- Retention bill for The Advisory Board Company, a company with over 3,500 employees, approximately 2,000 of which are based in Washington, DC, \$2.1B tech company (healthcare and higher education focus) that is one of the largest and fastest-growing firms in the DC Metro Area. It is the 6th largest publicly traded business in DC, 4th largest corporate employer, and largest technology company.
- Company began operations in the District in 1979 and is a stable, profitable, high-growth firm.
- Company considered a number of locations nationwide and internationally, including the empty 1812 N. Moore Avenue, the tallest building in Rosslyn.

Incentive and Agreement:

- The District provides a performance-based property tax abatement for 10 years of up to \$6 million per year. If Company meets annual hiring targets, it will receive the full annual abatement.
 - If it does not hit its hiring targets, it will receive a pro rata share of \$6 million based on new hires above its current baseline.
 - If it does not increase new hires, it will not receive the abatement
- Company will sign 15-year lease for at least 425,000 sq ft of office space in DC in a to be built 740,000 sq. ft. building.
- Company will hire an aggregate 1,000 new DC residents (on top of existing baseline) between the time of lease execution and the end of the incentive measurement period (2029).
- The new lease will be for the Company’s HQ.

Benefits:

- Over \$300 million in total net tax revenue collection (after incentives) over 10 years.
 - This is a 5-times multiplier return for the District.
- 1,000 direct net new District resident jobs. Average salary for Company is over \$100,000, meaning these will be well-paying jobs.
- 35% of tenant improvement construction costs will go to CBEs.
- Hiring performance metrics are more favorable than than First Source requirements.
- Supports continued diversification of DC economy.
- Signed strong Community Benefits Agreement:
 - Partner with DOES, D.C. L.E.A.P. Academy or a D.C. non-profit to train 250 District residents.
 - Employ 25 D.C. L.E.A.P. Academy graduates or DOES clients.

- Partner with D.C. Public Schools to create an “opt-in” mentorship program to provide year-long individualized support to students in the college admissions process. The Company will provide a minimum of 50 employees annually to serve as mentors.
- Host an optional enrichment session for Summer Youth Employment Program (“S.Y.E.P”) participants each year. .
- Company will hire 5 SYEP participants each summer during Incentive Period.
- Provide 25,000 hours per year of volunteer services to D.C. based non-profits, inclusive of the 8,000 hours per year of pro-bono consulting services to D.C. based non-profits.

Best Practices in Retaining Employers:

- **Focus on District resident hiring** - 1,000 new District-resident jobs are net, above baseline as of 2015. High-quality jobs.
- **Abatement is 100% performance-based, obviating the need for claw-backs – There is no abatement if the Company does not meet the performance criteria for the prior period, and will be measured annually.**
- Providing incentive to a **stable, high-growth, long-time District-based company.**
- Requires the **Company to enter into a lease for its DC headquarters.**
- Company will **anchor a new building** creating more construction jobs and development.
- **Strong, specific community benefits package** that aligns with strengths of the Company.