

**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: OCT 21 2008

SUBJECT: Fiscal Impact Statement: "Downtown Anacostia and Pennsylvania Avenue Eminent Domain Authorization Act of 2008"

REFERENCE: B17-0915

Conclusion

Funds are sufficient in the proposed FY 2009 through FY 2012 budget and financial plan to implement the proposed legislation. The proposed legislation would authorize the Mayor to use eminent domain authority, but does not provide funding for exercising this authority. A funding certification would be required when the authority is exercised.

Background

This proposed Act would authorize the Mayor to exercise eminent domain to acquire certain properties identified in Table 1. To acquire these properties, the District would need to spend at least \$7.6 million, which is the total FY 2009 assessed value of the parcels. In addition, property tax revenue may be reduced during the time the District owns these parcels. These properties have a real property tax liability of approximately \$180,000 for FY 2009. There are currently no funds in the proposed FY 2009 through FY 2012 budget or financial plan to pay for the acquisition of these properties.

Table 1.

Street	Square	Lot	FY 2009 Assessed Value	Tax Liability	Taxes Paid in 2008
3913 S. Capitol St. SW	6150	7	\$455,100	\$8,419	Yes
3915 S. Capitol St. SW	6150	816	\$315,490	\$5,837	Yes
3917-3921 S. Capitol St. SW	6150	817	\$370,920	\$6,862	Yes
3923 S. Capitol St. SW	6150	808	\$289,040	\$5,347	No
Good Hope Rd. SE	5770	5	\$43,440	\$804	Yes
1111 Good Hope Rd. SE	5770	812	\$454,540	\$8,409	Yes
Good Hope Rd. SE	5770	813	\$191,170	\$3,537	Yes
1113 Good Hope Rd. SE	5770	822	\$123,940	\$6,197	Yes
1110 U St. SE	5770	830	\$880,020	\$16,280	Yes
1905-1907 Martin Luther King Jr. Dr. SE	5770	832	\$227,790	\$11,390	Yes
1115 Good Hope Rd. SE	5770	833	\$150,880	\$2,791	Yes
1117 Good Hope Rd. SE	5770	834	\$226,640	\$11,332	Yes
1901-1903 Martin Luther King Jr. Dr. SE	5770	911	\$171,470	\$8,574	Yes
2331 Pennsylvania Ave. SE	5560	39	\$151,490	\$2,803	Yes
2341 Pennsylvania Ave. SE	5560	43	\$324,360	\$6,001	Yes
2335 Pennsylvania Ave. SE	5560	44	\$235,870	\$4,364	Yes
2339 Pennsylvania Ave. SE	5560	46	\$176,420	\$3,264	Yes
2334 L'Enfant Square SE	5560	52	\$334,090	\$6,181	Yes
2324 Pennsylvania Ave. SE	5560	825	\$771,640	\$14,275	Yes
3250 Pennsylvania Ave. SE	5539	17	\$1,145,750	\$21,196	Yes
Pennsylvania Ave. SE	5539	16	\$516,600	\$25,830	Yes
Total			\$7,556,660	\$179,693	

Fiscal Impact

Funds are sufficient in the proposed FY 2009 through FY 2012 budget and financial plan to implement the proposed legislation. Authorizing the Mayor to acquire properties through the use of eminent domain does not have a fiscal impact. However, if the Mayor uses this authority, funds must be identified to acquire the property and to offset any real property tax revenue reduction experienced during the period the District maintains ownership of the properties. Currently, funds have not been allocated to acquire the properties enumerated in the proposed legislation.