

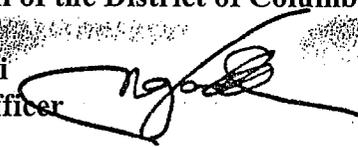
Government of the District of Columbia  
Office of the Chief Financial Officer



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:** June 14, 2010

**SUBJECT:** Fiscal Impact Statement – “Hurt Home Surplus Declaration and Approval Resolution of 2010”

**REFERENCE:** Draft Resolution as shared with the OCFO on June 7, 2010– No Number Available

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**Conclusion**

Funds are sufficient in the proposed FY 2011 through FY 2014 budget and financial plan to implement the provisions of the proposed resolution.

**Background**

The proposed legislation would authorize the Mayor to declare and approve as surplus the District-owned property commonly known as the Hurt Home located at 3050 R Street, NW in Square 1282, Lot 276. The property, approximately 43,869 square feet of land, contains the Hurt Home building, which is a 33,304 square foot vacant building.

The Mayor has determined that the property is no longer required for public purposes for the following reasons:

- The property’s dilapidated condition cannot accommodate a District agency use or other public use without cost prohibitive renovations.
- The absence of a long term occupant has caused the building to be in a continual state of disrepair.
- The maintenance and upkeep required to preserve the building has been and will continue to be a resource drain on the District until the property can be permanently redeveloped.
- The most pragmatic solution for reactivating this space is to declare the property surplus and dispose of the property for non-public use redevelopment.

The Honorable Vincent C. Gray

FIS: DRAFT "Hurt Home Surplus Declaration and Approval Resolution of 2010", as shared with the OCFO on

June 7, 2010

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The Mayor intends to sell the property to a partnership consisting of Argos Group of Washington, DC, Potomac Investment Properties of Washington, DC, Michael Gerwiz, Dennis Cotto, and Gilberto Cardenas for redevelopment. If approved, the property would be redeveloped into 35 for-sale residential units. Twelve of the units will be sold at a price affordable to households at 60 percent and 80 percent of Area Median Income. The Office of Tax and Revenue has a tax assessed value for the property for FY 2011 of \$9,456,500<sup>1</sup>.

### **Financial Plan Impact**

Funds are sufficient in the proposed FY 2011 through FY 2014 budget and financial plan to implement the provisions of the proposed resolution. Authorizing the Mayor to declare and approve the property as surplus would have no impact on the District's budget and financial plan.

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<sup>1</sup> [https://www.taxpayerservicecenter.com/RP\\_Detail.jsp?ssl=1282%20%20%20%200276](https://www.taxpayerservicecenter.com/RP_Detail.jsp?ssl=1282%20%20%20%200276)