


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



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: January 17, 2018

SUBJECT: Fiscal Impact Statement – Dupont Circle Business Improvement
District Amendment Act of 2018

REFERENCE: Bill 22-559, Draft Committee Print provided on January 16, 2018

Conclusion

Funds are sufficient in the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the bill.

Background

The bill amends the Business Improvement District Act of 1996¹ to authorize the establishment of the Dupont Circle Business Improvement District (“Dupont BID”). This amendment authorizes the levy of a special assessment on non-exempt real properties within the geographic area defined in the legislation.

All established BIDs in the District have the authority to levy a special assessment on non-exempt properties to fund improvements within the defined BID areas. The annual Dupont BID taxes would be as follows:

- \$0.09 per \$100 of assessed value of non-exempt Class 2, 3, and 4 real property up to \$70 million in assessed value;
- \$0.02 per \$100 assessed value of non-exempt Class 2, 3, and 4 real property above \$70 million. This increases by \$0.005 each year until the tax rate equals \$0.09 per \$100 of assessed value;
- \$120 per hotel or motel room, for property defined under D. C. Official Code § 47-813(c-3)(3); and
- \$120 per unit of Class 1 property that contains five or more residential units available for rent for non-transient residential dwelling; all other Class 1 property is exempt.

¹ Effective May 29, 1996 (D.C. Law 11-134; D.C. Official Code 2-1215.01 et seq.)

The Honorable Phil Mendelson

FIS: "Dupont Circle Business Improvement District Amendment Act of 2018," Bill 22-559, Committee Print provided to the Office of Revenue Analysis on January 16, 2018

Special assessment rates are fixed for the first five years, except for the increase applicable to the rate on assessed value over \$70 million. After five years any rate may increase up to three percent annually.

Financial Plan Impact

Funds are sufficient in the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the bill. All Business Improvement District special assessments are paid in addition to regular property taxes, and are not part of the District's budget and financial plan. The collections are used to support the BID, which promotes economic development in the geographic area defined as the Dupont Circle BID. The Office and Tax and Revenue will administer the collection of special assessment, and can do so with its existing resources.