

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:** November 6, 2018

**SUBJECT:** Fiscal Impact Statement – Fair Condominium Withdrawal Amendment Act of 2018

**REFERENCE:** Bill 22-919, Draft Committee Print shared with Office of Revenue Analysis, November 6, 2018

---

**Conclusion**

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill.

**Background**

The bill allows<sup>1</sup> for contraction of a condominium under certain conditions. Current law prohibits the withdraw of a portion of land from the condominium if any unit has already been sold on such portion of land. The bill repeals such prohibition and specifies that one or more separate buildings of a condominium building may be withdrawn upon the affirmative vote of the owners of all of the units of the condominium association. The contraction of the condominium is recorded as an amendment to the declaration with the Recorder of Deeds and must include the following:

- amended plats and plans issued by the Department of Consumer and Regulatory Affairs;
- a reallocation of the percentages of common element ownership, voting power, and liability for common expenses to any units remaining in the condominium;
- consent of any creditors holding encumbrances or liens against any of the units;
- consent of the provider of the master property insurance policy for the condominium; and
- an explanation of how the withdrawn property shall be owned.

---

<sup>1</sup> By amending Chapter 19 of Title 42 of the District of Columbia Official Code.

The Honorable Phil Mendelson

FIS: "Fair Condominium Withdrawal Amendment Act of 2018," Draft Committee Print shared with Office of Revenue Analysis November 6, 2018

### **Financial Plan Impact**

Funds are sufficient in the fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill. The number of condominium associations taking advantage of the new process is expected to be de minimus and therefore the agencies involved in the recording process can absorb the work associated with any new transactions.