

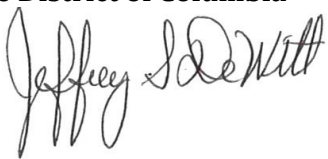
Government of the District of Columbia
Office of the Chief Financial Officer



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: July 6, 2017

SUBJECT: Fiscal Impact Statement – Capital Riverfront Business Improvement
District Amendment Act of 2017

REFERENCE: Bill 22-297, Draft Committee Print as shared with the Office of Revenue
Analysis on July 6, 2017

Conclusion

Funds are sufficient in the fiscal year 2017 budget and the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the bill.

Background

The Capital Riverfront Business Improvement District (BID) predominantly encompasses the Navy Yard neighborhood in Southeast Washington.¹ The bill increases the BID taxes to be paid by property owners in the BID area. The following chart outlines the proposed changes.

Property Type	Current Rate	Proposed Rate
Commercial ≥ 8,000 sq. ft.	\$0.16/sq. ft.	\$0.17/sq. ft.
Commercial < 8,000 sq. ft.	\$0.09 per \$100 of assessed value	Lesser of \$0.17/lot sq. ft. or \$0.09 per \$100 of assessed value
Residential	\$120/unit	\$126/unit
Hotels	\$95/room	\$100/room
Active industrial, utility, storage use	\$0.16/sq. ft. of land or buildings	\$0.17/sq. ft. of land or buildings
Unimproved Land < 88,000 sq. ft.	\$0.36/ sq. ft.	\$0.38/sq. ft.

¹ The BID constitutes an area in Southwest Washington around Buzzard Point and the entire area bounded by South Capitol Street, S.E., the Southeast-Southwest Freeway, 15th Street, S.E., and the Anacostia River.

The Honorable Phil Mendelson

FIS: Bill 22-297, "Capital Riverfront Business Improvement District Amendment Act of 2017," Draft Committee Print as shared with the Office of Revenue Analysis on July 6, 2017

Property Type	Current Rate	Proposed Rate
Unimproved Land 88,000–200,000 sq. ft.	\$0.065/sq. ft.	\$0.075/sq. ft.
Unimproved Land > 200,000 sq. ft.	\$0.18/sq. ft.	\$0.20/sq. ft.

These changes are applicable to all tax years after September 30, 2017.

Financial Plan Impact

Funds are sufficient in the fiscal year 2017 budget and the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the bill. The Office of Tax and Revenue collects BID taxes on behalf of the Capital Riverfront BID, but BID taxes are separate from District tax collections and are not included in the budget and financial plan. These changes will appear in the September 2017 billing cycle that applies to the tax year 2018 billing period. There is no impact on the District associated with these BID tax rate changes.