


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



**Fitzroy Lee**  
Interim Chief Financial Officer

**MEMORANDUM**

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

**FROM:** Fitzroy Lee  
Interim Chief Financial Officer 

**DATE:** April 27, 2021

**SUBJECT:** Fiscal Impact Statement – D.C. Central Kitchen, Inc. Tax Rebate Act of 2021

**REFERENCE:** Bill 24-68, Committee print provided to the Office of Revenue Analysis on April 27, 2021.

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**Conclusion**

Funds are not sufficient in the fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the bill. The bill will cost \$151,000 in fiscal year 2022 and \$509,000 over the four-year financial plan.

**Background**

The bill provides a rebate to D.C. Central Kitchen<sup>1</sup> for a proportionate share of property taxes passed through to it under its lease of space for its headquarters. The headquarters is in a mixed-use development located at 2121 1<sup>st</sup> Street, S.W.<sup>2</sup>, which is owned by a for-profit entity and not eligible for an administrative exemption.

The rebate is effective beginning October 1, 2021.

**Financial Plan Impact**

Funds are not sufficient in the fiscal year 2021 through fiscal year 2024 budget and financial plan to implement the bill. The bill will cost \$151,000 in fiscal year 2022 and \$509,000 over the four-year

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<sup>1</sup> DC Central Kitchen, Inc. is a non-profit and social enterprise which combats hunger and poverty through job training and job creation. (<https://dcentralkitchen.org/>)

<sup>2</sup> Known for tax and assessment purposes, Lot 10 Square 613.

The Honorable Phil Mendelson

FIS: Bill 24-68, "D.C. Central Kitchen, Inc. Tax Rebate Act of 2021," Committee print provided to the Office of Revenue Analysis on April 27, 2021.

financial plan. D.C. Central Kitchen's share of the building's taxes is estimated to be 35.16 percent of the commercial portion of the property.<sup>3</sup>

**Fiscal Impact of D.C. Central Kitchen, Inc. Tax Rebate Act of 2021**  
**Fiscal Year 2021- Fiscal Year 2024**  
**(\$ thousands)**

	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>Total</b>
Cost of Real Property Tax Rebate	\$0	\$151	\$151	\$207	\$509

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<sup>3</sup> The commercial portion of the property is estimated to be 13.6% of building's assessed value.