


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: June 18, 2019

SUBJECT: Fiscal Impact Statement – Warehousing and Storage Eminent Domain Authority Act of 2019

REFERENCE: Bill 23-116, Draft Committee Print as shared with the Office of Revenue Analysis on June 11, 2019

Conclusion

Funds are sufficient in the fiscal year 2019 through fiscal year 2023 budget and financial plan to implement the bill. The bill authorizes the Mayor to exercise eminent domain, but does not require the Mayor to act upon the authorization. The fiscal year 2020 through fiscal year 2025 capital improvements plan includes \$12 million to acquire the properties specified in the bill.

Background

The bill authorizes the Mayor to use eminent domain to acquire three privately-owned properties located in the Brentwood neighborhood to be used for storing the equipment, records, property, and supplies of multiple District agencies.¹ The properties are located along Brentwood Road, N.E. and W Street, N.E. where the two roads intersect.²

¹ Agencies in need of additional storage capacity include, but are not limited to, the Department of Parks and Recreation, the Department of Public Works, the Office of Contracting and Procurement, and the Department of Health.

² The properties are known for assessment and tax purposes as Square 3942, Lots 36 and 41 and Parcel 143/107.

The Honorable Phil Mendelson

FIS: Bill 23-116, "Warehousing and Storage Eminent Domain Authority Act of 2019," Draft Committee Print as shared with the Office of Revenue Analysis on June 11, 2019

The Mayor was first authorized to use eminent domain to acquire these properties in 2015³ to facilitate development in the Capital Riverfront neighborhood by relocating DC Water operations to the Brentwood site. The Mayor found an alternate site for DC Water. The Mayor is currently authorized to use eminent domain to acquire these properties for warehousing and storage under temporary legislation.⁴

Financial Plan Impact

Funds are sufficient in the fiscal year 2019 through fiscal year 2023 budget and financial plan to implement the bill. There are no costs associated with giving the Mayor the authority to use eminent domain to acquire these properties.

The tax year 2020 property assessments for the three properties total approximately \$4.9 million. The District will obtain private appraisals for the properties as part of the eminent domain process to determine the ultimate purchase prices, but those appraisals have not been completed. The fiscal year 2020 through fiscal year 2025 capital improvements plan includes \$12 million to acquire the properties if the Mayor chooses to exercise her authority.

³ Lots 36, 41, and 802 in Square 3942 and Parcels 0143/107 and 0143/110 Eminent Domain Authorization Emergency Act of 2014, effective January 13, 2015 (D.C. Act 20-584; 62 DCR 1285).

⁴ Warehousing and Storage Eminent Domain Authority Temporary Act of 2018, effective March 28, 2019 (D.C. Law 22-274; 66 DCR 3990).