

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: October 31, 2016

SUBJECT: Fiscal Impact Statement – Historic Preservation of Derelict District Properties Act of 2016

REFERENCE: Bill 21-837, Committee Print sent to the Office of Revenue Analysis on October 19, 2016

Conclusion

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill.

Background

The bill requires the Mayor to transfer¹ four properties² in Historic Anacostia to the L’Enfant Trust, so the Trust can renovate the properties for workforce housing. The Mayor will transfer the properties to the Trust free of charge.

Financial Plan Impact

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill.

The Department of Housing and Community Development (DHCD), which currently controls the properties, can meet the requirements of the bill without additional resources. DHCD’s Property Acquisition and Disposition Division (PADD) had planned to begin the disposition process for these

¹ Notwithstanding An Act Authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat. 1211; D.C. Official Code § 10-801 et seq.), or any other provision of law.

² Lot 814 in Square 5779, Lot 849 in Square 5799, Lot 884 in Square 5765, and Lot 811 in Square 5800.

The Honorable Phil Mendelson

FIS: Bill 21-837, "Historic Preservation of Derelict District Properties Act of 2016," Committee Print sent to the Office of Revenue Analysis on October 19, 2016

properties in November 2016. Deviating from the current work plan for disposing these properties does result in additional work for DHCD, but it is work that the agency can absorb.

The assessed value of these properties, collectively, is \$661,950³. If DHCD were to dispose of these properties through a competitive bid, instead of transferring them free of charge, DHCD could bring in revenue. This loss of revenue, though, does not have a fiscal impact, since DHCD does not incorporate potential future revenues from PADD dispositions into its budget and financial plan.

³ This is the fiscal year 2017 Proposed Taxable Assessed Value according to the Office of Tax and Revenue's Real Property Tax Database, accessed October 30, 2016. <https://www.taxpayerservicecenter.com>.