

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: December 2, 2014

SUBJECT: Fiscal Impact Statement – “Parkside Parcel E and J Mixed-Income Apartments Tax Abatement Emergency Amendment Act of 2014”

REFERENCE: Draft bill shared with the Office of Revenue Analysis on November 24, 2014

Conclusion

Funds are sufficient in the FY 2015 through FY 2018 budget and financial plan to implement the bill.

Background

The District authorized that the Parkside Parcel E and J Mixed-Income Apartments located on Lot 808 in Square 5041 and Lot 811 in Square 5056 receive a 10-year real property tax abatement beginning Fiscal Year 2015.¹ The annual cap on the abatement is \$600,000 for the two lots combined.

This emergency bill deletes from the D.C. Code² the name of the project and the name of the owner, so the abatement would be in effect no matter who owns the property or what it is called. It also limits the abatement to \$300,000 per year per lot.

Financial Plan Impact

Funds are sufficient in the FY 2015 through FY 2018 budget and financial plan to implement the bill. The property tax abatement for this property is already incorporated into the budget and financial plan. Removing the reference to the owner or the name of the development does not have

¹ The abatement was incorporated into the District’s budget and financial plan with the Fiscal Year 2014 Budget Support Act of 2013, effective Dec 24, 2013 (D.C. Law 20-61; 61 DCR 962).

² D.C. Official Code §47-4645.

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a fiscal impact. Limiting the abatement to \$300,000 per year per lot could make the abatement cap binding sooner than anticipated, but the timing of this cannot be reliably estimated.