

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: March 22, 2018

SUBJECT: Fiscal Impact Statement – Anna Cooper House TOPA Exemption
Amendment Act of 2018

REFERENCE: Bill 22-591, Draft Committee Print sent to the Office of Revenue
Analysis on March 20, 2018

A handwritten signature in black ink that reads "Jeffrey S. DeWitt".

Conclusion

Funds are sufficient in fiscal year 2018 and the proposed fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill.

Background

The bill exempts the transfer of the property at 1338 R St NW¹ from the Tenant Opportunity to Purchase Act (TOPA)², as long as the property is transferred from So Others Might Eat, Inc. (SOME) to an owner that qualifies as a nonprofit affordable housing developer and is controlled by SOME or Affordable Housing Opportunities, Inc. TOPA requires a landlord selling their property to give tenants the first chance to purchase the property by allowing them to match other offers the landlord has received.

The property is home to the Anna Cooper House, which is run by SOME and provides housing to low-income individuals. SOME is rehabilitating the Anna Copper House and wishes to sell the property to a limited liability corporation in order to secure tax credit financing for the rehabilitation. It wishes to exempt this sale from TOPA to eliminate the chance that a for-profit developer buys the property by getting residents to reassign their TOPA rights.³ Under the bill, no tenant or tenant organization shall have the right to challenge the transfer of the property.

¹ Lot 818 in Square 240.

² Tenant Opportunity to Purchase Act of 1980, effective September 10, 1980 (D.C. Law 3-86; D.C. Official Code § 42-3404.01 et seq.).

³ According to the opening statement during the public hearing for the bill.

The Honorable Phil Mendelson

FIS: Bill 22-591, "Anna Cooper House TOPA Exemption Amendment Act of 2018," Draft Committee Print sent to the Office of Revenue Analysis on March 20, 2018

Financial Plan Impact

Funds are sufficient in fiscal year 2018 and the proposed fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill.

Exempting the sale of this property from TOPA has no fiscal impact. The bill does not affect the intent of SOME, which is to rehabilitate its property and continue to operate it as affordable housing; therefore we do not expect the District to lose any revenue from a forgone conversion of the property to market rate housing.