

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



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Kwame R. Brown
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: February 28, 2011

SUBJECT: Fiscal Impact Statement – “Third & H Streets, N.E. Economic Development Technical Clarification Emergency Act of 2011”

REFERENCE: Draft legislation, no bill number

Conclusion

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the proposed legislation. The legislation is a technical amendment to the “Third & H Streets, N.E. Economic Development Act of 2010¹” (“2010 Act”).

Background

The 2010 Act authorized the abatement of real property taxes, deed recordation taxes, transfer taxes and sales and use taxes on construction materials in an amount not to exceed \$5 million for the Third & H Streets, N.E. project. The \$5 million cost of implementing the 2010 Act was subsequently funded by the H Street, N.E., Retail Priority Area Incentive Act of 2010, Bill 18-970.² The addition of leasing to the definition of the project in the 2010 Act allows the deed recordation taxes to be abated on the recordation of the lease with the Giant grocery store. The project is expected to break ground in summer 2011 and is owned by the developer, Steuart – H Street, LLC, a subsidiary of Steuart Investment Company of Chevy Chase, Maryland.

¹ Effective May 27, 2010 (D.C. Law 18-161, D.C. Official Code § 47-4634). The Fiscal Impact Statement for “Third & H Streets, N.E. Economic Development Act of 2010;” was issued by the OCFO on November 12, 2009, and is available at http://app.cfo.dc.gov/services/fiscal_impact/pdf/spring09/3rd_&_H_.pdf

² Enacted January 19, 2011 with a Projected Law Date of April 7, 2011. (D.C. Act 18-704, 58 DCR 754). The Fiscal Impact Statement for “H Street, N.E., Retail Priority Area Incentive Act of 2010” was issued by the OCFO on November 19, 2010.

The Honorable Kwame R. Brown

FIS: Howard Theatre Redevelopment Project Great Streets Initiative Tax Increment Financing Amendment Act of 2011, draft legislation

Financial Plan Impact

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the proposed legislation. The proposed legislation is a technical amendment to the “Third & H Streets, N.E. Economic Development Act of 2010” and has no fiscal impact.