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

**Natwar M. Gandhi**
Chief Financial Officer

# MEMORANDUM

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| **TO:** | **The Honorable Kwame R. Brown**<br>**Chairman, Council of the District of Columbia** |
| **FROM:** | **Natwar M. Gandhi**<br>**Chief Financial Officer** |
| **DATE:** | **September 7, 2011** |
| **SUBJECT:** | **Fiscal Impact Statement – "Eastern Avenue Property Disposition Extension Approval Resolution of 2011"** |
| **REFERENCE:** | **Proposed Resolution 19-359, As Introduced** |

## Conclusion

Funds are sufficient in the FY 2012 through FY 2015 budget and financial plan to implement the proposed resolution.

## Background

The proposed resolution would extend the time limit for the disposition of District-owned real properties, known as Lots 17, 18, 19, and 806 in Square 5260[1], located at 400-414 Eastern Avenue, N.E. and in the 6100 block of Dix Street, N.E. The disposition of the properties was approved by the Council on October 6, 2009.[2] Under current law, approval of a disposition remains in effect for two years from the effective date of the approved resolution.[3] Approval of the proposed resolution would extend the deadline for the disposition by one year, from October 6, 2011 to October 6, 2012.

The Mayor intends to sell the property to Dix Street Corridor Revitalization Partners, LLC, which will redevelop the property as affordable housing.

The current status of the project and the need for the extended timeline are outlined in the detailed status report that is to be transmitted to the Council per the proposed resolution.

[1] The four lots referenced in the legislation have been subdivided and are comprised of Lots 808 through 864 in Square 5260.
[2] Eastern Avenue Property Disposition Approval Resolution of 2009, effective October 6, 2009 (Res. 18-264; 56 DCR 8412).
[3] D.C. Official Code § 10-801(d).

## Fiscal Impact

Funds are sufficient in the FY 2012 through FY 2015 financial plan to implement the proposed resolution. Extending the time limit for the disposition will not have an impact on the District's budget and financial plan. Once the disposition occurs, the District will experience a loss of real property assets of approximately $6.4 million,[4] but because the value of assets is not included in the budget and financial plan, this would not result in a fiscal impact.

[4] FY 2012 Proposed Tax Assessed Value according to OTR's Real Property Tax Database, accessed August 16, 2011. https://www.taxpayerservicecenter.com