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

Glen Lee
Chief Financial Officer

MEMORANDUM

TO:	**The Honorable Phil Mendelson** **Chairman, Council of the District of Columbia**
FROM:	**Glen Lee** **Chief Financial Officer**
DATE:	**September 22, 2026**
SUBJECT:	**Fiscal Impact Statement – Food & Friends Property Tax Exemption Amendment Act of 2026**
REFERENCE:	**Bill 26-564, Draft Committee Print as provided to the Office of Revenue Analysis on September 8, 2026**

Conclusion

Funds are sufficient in the revised fiscal year 2026 budget and the fiscal year 2027 through fiscal year 2030 budget and financial plan to implement the bill. The bill requires the Office of Tax and Revenue to refund Food & Friends $4,143 in fiscal year 2027. Any loss of property tax revenues associated with establishing a 100 percent property tax abatement are *de minimis* over the four-year financial plan period.

Background

Food & Friends is an organization that provides meals to homebound individuals across the Washington, DC metropolitan area that have serious and long-term illnesses and need medically tailored meals, groceries, and nutrition counseling. Food & Friends' headquarters is located at 219 Riggs Road, N.E.[1] The bill establishes a 100 percent real property tax exemption for Food & Friends retroactive to October 1, 2025. The property is only eligible for the exemption if Food & Friends continues to own the property and Food & Friends or any lessee continues to use the property to provide charitable food distribution and related services.

[1] The property is known for assessment and tax purposes as Square 3766, Lot 5.

The property currently has a 97 percent tax exemption under temporary legislation.[2]

Financial Plan Impact

Funds are sufficient in the revised fiscal year 2026 budget and fiscal year 2027 through fiscal year 2030 budget and financial plan to implement the bill. The bill requires a refund of $4,100 in fiscal year 2027 and any impacts on property tax revenues will be *de minimis*.

Food & Friends receives an administrative 97 percent real property tax exemption as a nonprofit that operates for the purposes of public charity, principally in the District of Columbia.[3] Historically, three percent of the property was taxable due to the presence of an income-generating billboard, which has been removed. The property received the same exemption in fiscal year 2026 pursuant to the temporary legislation cited above. To ensure the Food & Friends property can maintain its existing tax exemption and expand to a 100 percent exemption, the bill establishes a permanent stand-alone exemption for 100 percent of the Food & Friend's property so long as the property is used for charitable food distribution and related services.

Because Food & Friends receives a 97 percent real property tax exemption, there is no cost to maintaining this portion of the exemption. Any reductions in property tax revenues expanding from a 97 percent tax exemption to a 100 percent tax exemption are *de minimis*. Additionally, making the full exemption effective as of October 1, 2025, requires the Office of Tax and Revenue to refund $4,142.70 in fiscal year 2027 for payments made in fiscal year 2026.

The Office of the Chief Financial Officer issued a Tax Abatement Financial Analysis on August 10, 2026, indicating that this exemption was not financially necessary for Food & Friends to meet its fiscal needs.[4]

[2] Food & Friends Property Tax Exemption Temporary Amendment Act of 2025, effective February 12, 2026 (D.C. Law 26-91; 73 DCR 2680).
[3] D.C. Official Code § 47-1002(8)).
[4] Food Friends TAFA.pdf