


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



Fitzroy Lee
Acting Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Fitzroy Lee
Acting Chief Financial Officer 

DATE: March 30, 2022

SUBJECT: Fiscal Impact Statement – 900 55th Street N.E. and 2327-2341 Skyland Terrace S.E. DC Habitat Real Property Tax Exemption Extension Amendment Act of 2022

REFERENCE: Bill 24-579, Committee Print as provided to the Office of Revenue Analysis on March 28, 2022

Conclusion

Funds are not sufficient in the fiscal year 2022 budget or proposed fiscal year 2023 through fiscal year 2026 budget and financial plan to implement the bill. The bill will cost \$57,000 in fiscal year 2022 and \$79,000 over the fiscal year 2022 through fiscal year 2026 budget and financial plan.

Background

The bill provides real property tax exemptions for multiple residential properties at 900 55th Street N.E.¹, and 2327 through 2341 Skyland Terrace, S.E.² which are owned by Habitat for Humanity ("Habitat"). The exemptions are contingent on Habitat constructing 25 single family affordable homes on the properties and selling to qualifying residents. The exemption is valid retroactive to January 1, 2018 and ends when the properties are sold, but no later than June 31, 2025.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2022 budget or proposed fiscal year 2023 through fiscal year 2026 budget and financial plan to implement the bill. The bill will cost \$57,000 in fiscal year

¹ For tax and assessment purposes known as Square 5204, Lot 0022.

² For tax and assessment purposes known as Square 5740, Lots 241, 350, 351, 352, 353, 354, 355, and 356.

The Honorable Phil Mendelson

FIS: Bill 24-579, "900 55th Street N.E. and 2327-2341 Skyland Terrace S.E. DC Habitat Real Property Tax Exemption Extension Amendment Act of 2022," Draft Committee Print as provided to the Office of Revenue Analysis on March 28, 2022.

2022 and \$79,000 over the fiscal year 2022 through fiscal year 2026 budget and financial plan. This includes the cost of forgiven taxes as well as reduced future revenues from the exemption.

900 55th Street N.E. and 2327-2341 Skyland Terrace S.E. DC Habitat Real Property Tax Exemption Extension Amendment Act of 2022 Total Cost (\$ thousands)						
	FY 2022 ^(a)	FY 2023	FY 2024	FY 2025	FY 2026	TOTAL
Real Property Tax	\$57	\$16	\$4	\$2	\$0	\$79

Table Notes:

(a) Includes penalties and interest on prior year tax liabilities.