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 16, 2024

SUBJECT: Fiscal Impact Statement - Protecting Historic Homes Amendment Act of

2024

REFERENCE: Bill 25-576, Draft Committee Print as provided to the Office of Revenue

Analysis on September 10, 2024

Conclusion

Funds are sufficient in the fiscal year 2025 through fiscal year 2028 budget and financial plan to implement the bill.

Background

Property owners of a historic landmark or property within a historic district must apply to the Mayor and/or Historic Preservation Board (Board) prior to any new construction on or demolition, alteration, or subdivision of the property. Actions taken by the property owner must comply with permits issued by the Mayor and orders issued by the Board. A property owner who unlawfully alters, demolishes, or constructs a building; fails to maintain a property; or engages in demolition by neglect is subject to civil and criminal penalties.¹

The bill enhances the civil penalties available to the District to account for the severity of the infraction. The bill establishes that penalties for general violations of laws and rules around historic properties do not exceed \$10,000 per violation. If the violation is a willful demolition, alteration, or construction, the penalty starts at \$10,000 per violation, but should not exceed \$25,000.

¹ Historic Landmark and Historic District Protection Act of 1978, effective March 3, 1979 (D.C. Law 2-144; D.C. Official Code § 6-1110).

The Honorable Phil Mendelson

FIS: Bill 25-576, "Protecting Historic Homes Amendment Act of 2024," Draft Committee Print as provided to the Office of Revenue Analysis on September 10, 2024

In 2022, Council approved new building standards to protect migratory birds for buildings² permitted after October 1, 2024.³ Council required that any new construction or substantial exterior alteration up to one hundred feet above grade be constructed with bird-friendly materials. It also imposed requirements for walls up to twenty-four feet above a green roof or roof terrace. The bill delays this requirement to apply to any building permitted after October 1, 2025.

Financial Plan Impact

Funds are sufficient in the fiscal year 2025 through fiscal year 2028 budget and financial plan to implement the bill. There is no cost associated with establishing a more prescriptive penalty structure for the unlawful alteration, demolition, or construction of historic buildings or those located in a historic district.

Council funded the new bird protections for buildings legislation in the fiscal year 2025 budget.⁴ The bill's one-year delay ensures that permit applications under review as of October 1, 2024 are not required to resubmit and gives the Department of Buildings sufficient time to implement the new requirements. There are no costs associated with this delay.

² Buildings include commercial, multi-unit residential, institutional facilities, District-owned and operated.

³ Migratory Local Wildlife Protection Act of 2022, effective March 22, 2023 (D.C. Law 24-794; D.C. Official Code 8-2241.02).

⁴ Subject to Appropriation Repeals and Modifications Amendment Act of 2024, enacted July 26, 2024 (D.C. Act 25-550; 71 DCR 9990).