

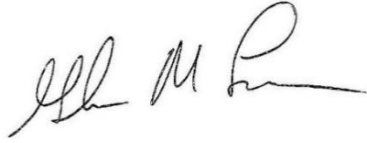
Government of the District of Columbia  
Office of the Chief Financial Officer



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:** April 28, 2026

**SUBJECT:** Fiscal Impact Statement – River East at Grandview Homeownership Relief and Restoration Amendment Act of 2026

**REFERENCE:** Bill 26-545, Draft Committee Print as provided to the Office of Revenue Analysis on April 24, 2026

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**Conclusion**

Funds are sufficient in the proposed revised fiscal year 2026 budget and proposed fiscal year 2027 through fiscal year 2030 budget and financial plan to implement the bill.

**Background**

The Relief for River East at Grandview Condominium Owners Act of 2024<sup>1</sup> made permanent legislation that was approved on an emergency<sup>2</sup> and temporary<sup>3</sup> basis to provide financial relief to property owners at the River East at Grandview Condominiums, after they were forced to evacuate their new homes due to faulty construction. Under the permanent law, as well as the emergency and temporary laws, the property owners are eligible for tax relief related to the property dating back to October 1, 2020, forgiveness of Housing Production Trust Fund and the Home Purchase Assistance Program (HPAP) loans, assistance with HPAP loans and eligibility requirements for a new home, as well as rental assistance and assistance with moving costs.

The bill makes several adjustments to the relief provided under current law. First, the bill changes the current definition of a property owner or former owner to include those who purchased one of the 46 affected condominium units between July 2017 and March 2019.

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<sup>1</sup> Effective September 18, 2024 (D.C. Law 25-217, § 2132; 71 DCR 9990).

<sup>2</sup> Expired July 14, 2024 (D.C. Act 25-447; 71 DCR 004637). July 14, 2024.

<sup>3</sup> Expired March 1, 2025 (D.C. Law 25-196; 71 DCR 006762).

The Honorable Phil Mendelson

FIS: Bill 26-545, "River East at Grandview Homeownership Relief and Restoration Amendment Act of 2026,"  
Bill 26-545, Draft Committee Print as provided to the Office of Revenue Analysis on April 24, 2026.

Second, the bill authorizes a property owner or former property owner who has not purchased another property since leaving the affected property to be eligible for assistance through HPAP in the form of a grant. The former owners are also excluded from credit requirements for the program. Property owners and former owners who have already received HPAP loan assistance for a new home will have their loan converted to a grant.

Third, property owners or former property owners who have already purchased a new residence in the District of Columbia without HPAP assistance can receive a grant of up to \$50,000 to be used towards the payment of their primary residence mortgage principal balance.<sup>4</sup>

Fourth, those who will be purchasing a primary residence will be prioritized when applying for Inclusionary Zoning or affordable housing development units. The covenant recorded on that unit will terminate 15 years after the date of closing.

Fifth, for the purposes of District income taxation, the relief funding provided by the bill will be excluded from recipients' gross income calculations.

Lastly, the bill requires the Department of Housing and Community Development to provide an annual report on the relief being provided, from fiscal year 2027 through fiscal year 2030.

The bill states that the benefits provided are not an entitlement and the District will not be required to make payments in excess of funds appropriated for the purpose. The bill sunsets after December 31, 2032.

### **Financial Plan Impact**

Funds are sufficient in the proposed revised fiscal year 2026 budget and proposed fiscal year 2027 through fiscal year 2030 budget and financial plan to implement the bill. The benefits provided by the bill are not an entitlement and payment of grants cannot occur unless sufficient funding is appropriated. Funding for the grants and assistance required by the bill are available within the HPAP budget. However, availability in a given fiscal year will depend on timing of the request for funding and whether the HPAP budget has already been allocated to other eligible homebuyers. Since no funding is being added to HPAP for the bill's authorized grants, the bill will reduce HPAP funding that is available for other loans.

Excluding the relief funding from gross income tax calculations does not have a fiscal impact as the grants were not included in income assumptions for forecasted income tax revenues.

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<sup>4</sup> In conjunction with a mortgage refinance or recast.