

JOINT PUBLIC OVERSIGHT HEARING
ON
THE CAPITAL IMPROVEMENTS PROGRAM

before the
Committee of the Whole, Chairman, Vincent C. Gray
Committee on Finance and Revenue, Chairperson, Jack Evans
Committee on Government Operations and the Environment,
Chairperson, Mary M. Cheh
Committee on Economic Development,
Chairperson, Kwame R. Brown
Committee on Public Works and Transportation,
Chairperson, Jim Graham
Committee on Human Services, Chairperson, Tommy Wells

February 20, 2009, 10:00 a.m.
Council Chamber, John A. Wilson Building



Testimony of
John Ross
Senior Advisor and Director
Office of Economic Development Finance

Natwar M. Gandhi
Chief Financial Officer
Government of the District of Columbia

My name is John Ross, and I am the Senior Advisor and Director of Economic Development Finance for the Office of the Chief Financial Officer. I am pleased to appear before you today to present testimony on the capital projects for the OCFO that are included in the District's Capital Improvements Program (CIP). Thank you and I would be pleased to answer any questions you may have at this time.

Economic Development Property-Related Tax Abatements Passed During FY 2007 and FY 2008*
Fiscal Impact during the Financial Plan Period

Legislation	Description	2007	2008	2009	2010	2011	TOTAL
Georgia Commons Real Property Tax Exemption and Abatement Act of 2007	Property tax credit for 130 rental units (a portion is affordable) and 26,000 SF of retail	(\$8,000)	(\$37,000)	(\$151,000)	(\$328,000)	(\$328,000)	(\$852,000)
Golden Rule Plaza, Inc. Real Property Tax Exemption and Real Property Tax Relief Act of 2007	Property tax exemption for affordable housing project on New Jersey Ave NW		(\$352,000)	(\$225,000)	(\$242,000)	(\$257,000)	(\$1,076,000)
Constitution Square Economic Development Act of 2007	Property tax abatement for 1000 residential units, 1.2M SF of office, and 90,000 SF of retail			(\$500,000)	(\$1,200,000)	(\$5,300,000)	(\$7,000,000)
New Convention Center Hotel Omnibus Financing and Development Amendment Act of 2008	Exemption from recordation taxes for 1100-room headquarters hotel		(\$3,700,000)				(\$3,700,000)
National Public Radio Real Property Tax Abatement Act of 2008	Exemption from a portion of property taxes at NPR's existing site until they move and proposed new location once they move			(\$387,000)	(\$878,000)	(\$1,509,000)	(\$2,774,000)
St. Martin Apartments Tax Exemption Amendment Act of 2008	Exemption from property tax, transfer and recordation fees, and sales taxes on construction materials for 178 affordable housing units		(\$41,546)	(\$474,527)	(\$659,587)	(\$113,677)	(\$1,289,337)
TOTAL		(\$8,000)	(\$4,130,546)	(\$1,737,527)	(\$3,307,587)	(\$7,507,677)	(\$16,691,337)
Bolling Air Force Base Military Housing Real Property Tax Exemption and Equipment Relief Act of 2008	Exemption from property tax and transfer and recordation fees for privately-owned military housing units						
							First fiscal impact of \$814,000 occurs in FY 2012

* Abatements passed during prior fiscal years continue to reduce revenues, but are not included in this list.