

PUBLIC HEARING

ON

Bill 21-854

“Skyland Town Center Amendment Act of 2016”

**Before the
Committee on Finance and Revenue
Council of the District of Columbia
Councilmember Jack Evans, Chairman**

**Tuesday, October 25, 2016, 11:30 am
John A. Wilson Building, Room 120**



**Testimony of
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Office of the Chief Financial Officer**

**Jeff Dewitt
Chief Financial Officer
Government of the District of Columbia**

Good morning, Chairman Evans and members of the Committee on Finance and Revenue. I am Sarah Goss O’Rielly, Senior Policy Analyst in the Office of Economic Development Finance in the Office of the Chief Financial Officer (OCFO). I am pleased to testify for the OCFO today on Bill 21-854, the “Skyland Town Center Amendment Act of 2016”.

The proposed bill changes the base year used for purposes of calculating incremental taxes. The Skyland Town Center Omnibus Act of 2014, which authorized the issuance of tax increment financing, established the property tax year 2014 and sales tax year 2013 as the base year. The bill before you revises the base year to 2016 for both property and sales taxes.

The base year change aligns the TIF authority with actual project milestones. For example, the District transferred ownership of the land to the Development Team in October 2015 marking the point at which the site became subject to real property taxes. The change also allows the District to issue approximately \$19 million for the first Skyland TIF Bond in March of 2017, allowing the Developer to move forward with construction of the initial phase of the Skyland project. The change does not impact the District’s budget and financial plan.

Thank you for the opportunity to testify. I am happy to answer any questions you have at this time.