

**PUBLIC HEARING**

**ON**

**BILL 18-281, “AFFORDABLE HOUSING OPPORTUNITIES  
RESIDENTIAL RENTAL PROJECT PROPERTY TAX  
EXEMPTION AND EQUITABLE REAL PROPERTY TAX  
RELIEF AMENDMENT ACT OF 2009”**

**Before the  
Committee on Finance and Revenue  
Council of the District of Columbia**

**The Honorable Jack Evans, Chairman**

**June 23, 2009, 10:00am  
Room 412, John A. Wilson Building**



**Testimony of Richie McKeithen  
Director of Real Property Tax Administration  
Office of Tax and Revenue**

**Natwar M. Gandhi  
Chief Financial Officer  
District of Columbia**

Good morning Chairman Evans and members of the Committee on Finance and Revenue. I am Richie McKeithen, Director of Real Property Tax Administration for the Office of Tax and Revenue. I am pleased to present testimony on Bill 18-281, “Affordable Housing Opportunities Residential Rental Project Tax Exemption and Equitable Real Property Tax Relief Amendment Act of 2009”.

The purpose of this bill is to exempt from real property tax the land and improvements located at 523 Mellon Street, S.E., which are owned by Affordable Housing Opportunities, Incorporated. The exemption would apply as long as the property continues to be owned by Affordable Housing Opportunities or an entity controlled, directly or indirectly, by Affordable Housing Opportunities, and not used for commercial purposes pursuant to District of Columbia Code Sections 47-1005, 47-1007, and 47-1009.

The property is a three story walk-up apartment complex that has approximately 56,640 square feet of finished living area and 36,565 square

feet of land area. Affordable Housing Opportunities has applied for exemption from real property tax and the application is pending.

The bill would authorize a refund for approximately \$20,300 in property tax payments made for Tax Year 2008. Additionally, the bill would abate the property tax obligations of approximately \$99,600 in FY 2009, and estimated real property tax obligations of \$263,700 over the FY 2010 through FY 2013 financial planning period. The bill would reduce property tax collections by approximately \$383,676 over the FY 2009 through FY 2013 financial planning period. Funds may be available to address the FY 2009 fiscal impact, but funds are not sufficient in the FY 2010 through FY 2013 financial plan to implement the provisions of the bill.

Estimated Fiscal Impact						
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Total
Refunds for Past Payments	\$20,323	\$0	\$0	\$0	\$0	\$20,323
Value of Abatement	\$99,583	\$65,745	\$65,876	\$66,008	\$66,140	\$363,352
Total Reduction in Tax Collections	\$119,906	\$65,745	\$65,876	\$66,008	\$66,140	\$383,676

