

AN ACT

D.C. ACT 22-247

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

FEBRUARY 5, 2018

To amend Chapter 10 of Title 47 of the District of Columbia Official Code to exempt from taxation certain property owned by the National Community Reinvestment Coalition, described as Lot 20, Square 222 and Lot 37, Square 221, contingent on the National Community Reinvestment Coalition investing over a 10-year period \$10 million in affordable housing and \$1.5 million in the development of entrepreneurship; and to order forgiveness of certain taxes.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “National Community Reinvestment Coalition Real Property Tax Exemption Amendment Act of 2018”.

Sec. 2. Chapter 10 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents designation for section 47-1071 is amended to read as follows: “47-1071. National Community Reinvestment Coalition and Subsidiaries; Lot 20, Square 222 and Lot 37, Square 221.”.

(b) Section 47-1071 is amended as follows:

(1) The heading is amended to read as follows:

“§ 47-1071. National Community Reinvestment Coalition and Subsidiaries; Lot 20, Square 222 and Lot 37, Square 221.”.

(2) The existing text is designated as subsection (a).

(3) The newly designated subsection (a) is amended by striking the phrase §§ 47-1007 and 47-1009.” and inserting the phrase “§§ 47-1005, 47-1007, and 47-1009.” in its place.

(4) New subsections (b) and (c) are added to read as follows:

“(b)(1)(A) Subject to paragraph (2) of this subsection:

“(i) The real property described as Lot 37, Square 221, and the buildings thereon (“Property”), shall be exempt from real property taxation so long as the Property is owned by the National Community Reinvestment Coalition (“NCRC”) or a direct or indirect wholly owned subsidiary of NCRC, and used for the purposes and activities of NCRC, the direct or indirect wholly owned subsidiary of NCRC, or the nonprofit tenants of NCRC, and not used for

commercial purposes, subject to the provisions of §§ 47-1005, 47-1007, and 47-1009 as if the exemption had been granted administratively under this chapter; and.

“(ii) A deed granted to or transferred from NCRC, or a direct or indirect wholly owned subsidiary of NCRC, with respect to:

“(I) The Property, shall be exempt from recordation or transfer tax as if the Property was entitled to or receiving an exemption under § 47-1002 during the time and to the extent that the Property is entitled to exemption under sub-subparagraph (i) of this subparagraph; and

“(II) Lot 20 in Square 222, shall be exempt from recordation or transfer tax as if the Property was entitled to or receiving an exemption under § 47-1002 during the time and to the extent that Lot 20 in Square 222 is entitled to exemption under subsection (a) of this section.

“(B) For the purposes of subparagraph (A)(ii) of this paragraph, the term “deed” shall have the same meaning as provided in § 42-1101(3)).

“(2)(A) The exemptions provided under this subsection and the forgiveness provided under section 3 of the National Community Reinvestment Coalition Real Property Tax Exemption Amendment Act of 2018, passed on 2nd reading on January 9, 2018 (Enrolled version of Bill 22-521)(“NCRC Tax Act”), shall be contingent upon NCRC, one or more direct or indirect subsidiaries of NCRC, or one or more company affiliates of NCRC, beginning with the tax year that this subsection and subsection (c) are applicable, investing through equity or debt financing at least \$10 million in affordable-housing development and preservation and, in addition to the \$10 million, at least \$1.5 million in the development of entrepreneurship, with a priority given to returning citizens, over 10 consecutive real property tax years (“commitment”).

“(B) Each applicant for entrepreneurial assistance shall be required to meet federally mandated minimum underwriting standards, as required by 12 C.F.R. § 614.4150 (1997), for any loan provided pursuant to subparagraph (A) of this paragraph.

“(C) For the purposes of this paragraph, the term:

“(i) “Company affiliate” means a company that is less than 50% owned by NCRC, or is in some way related to NCRC.

“(ii) “Returning citizens” means persons who are residents of the District who were previously incarcerated.

“(c)(1) By January 1 of the year following the year that NCRC has fulfilled the commitment as described in subsection (b)(2) of this section or of the expiration of the 10-year commitment period described in subsection (b)(2) of this section, whichever is earlier, NCRC shall submit a report to the Mayor detailing its compliance, or the extent of its compliance, with the commitment.

“(2) Within 60 days after the report required by paragraph (1) of this subsection is filed, the Mayor shall certify to the Office of Tax and Revenue that the commitment has been satisfied or has not been satisfied, whichever applies.

“(3) If the commitment has not been satisfied, all real property, recordation, and transfer taxes, together with all penalties and interest that was forgiven pursuant to section 3 of the NCRC Tax Act or exempted pursuant to subsection (b) of this section shall be due and payable to

the District of Columbia and such taxes, penalties, and interest shall be a lien against the Property to secure repayment of such amounts; provided, that recordation and transfer taxes may also be collected as otherwise provided by law.”.

Sec. 3. Forgiveness of taxes.

Subject to D.C. Official Code § 47-1071(b)(2) and (c), the Council orders that:

(1) Beginning July 1, 2016, through the first day of the month following the applicability date of this act that real property taxes, interest, penalties, fees, and other related charges assessed against the portion of the real property described as Lot 37, Square 221 and the buildings thereon (“Property”), to the extent not used for commercial purposes, be forgiven and any payments made with respect to the Property, to the extent not used for commercial purposes, be refunded; and

(2) All unpaid recordation taxes, interest, penalties, and other related charges with respect to Document Number 2016063937, recorded by the Recorder of Deeds on June 24, 2016, and Document Number 2016063075, recorded by the Recorder of Deeds on June 22, 2016, be forgiven.

Sec. 4. Applicability.

(a) This act shall apply upon the date of inclusion of its fiscal effect in an approved budget and financial plan.

(b) The Chief Financial Officer shall certify the date of the inclusion of the fiscal effect in an approved budget and financial plan, and provide notice to the Budget Director of the Council of the certification.

(c)(1) The Budget Director shall cause the notice of the certification to be published in the District of Columbia Register.

(2) The date of publication of the notice of the certification shall not affect the applicability of this act.

Sec. 5. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 6. Effective date.


This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December

ENROLLED ORIGINAL

24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.



Chairman
Council of the District of Columbia



Mayor
District of Columbia

APPROVED
February 5, 2018



COUNCIL OF THE DISTRICT OF COLUMBIA
WASHINGTON, D.C. 20004

Docket No. B22-521

ITEM ON CONSENT CALENDAR

ACTION & DATE

ADOPTED FIRST READING, 12/5/2017

VOICE VOTE

RECORDED VOTE ON REQUEST

APPROVED

ABSENT

ROLL CALL VOTE - Result

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Mendelson	X				Gray	X				Todd				X
Allen	X				Grosso	X				White, R.	X			
Bonds	X				McDuffie	X				White, T.	X			
Cheh	X				Nadeau	X								
Evans	X				Silverman	X								

X - Indicate Vote

AB - Absent

NV - Present, Not Voting

CERTIFICATION RECORD

Secretary to the Council

1-18-18

Date

ITEM ON CONSENT CALENDAR

ACTION & DATE

ADOPTED FINAL READING, 1/9/2018

VOICE VOTE

RECORDED VOTE ON REQUEST

APPROVED

ABSENT

ROLL CALL VOTE - Result

Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Mendelson	X				Gray	X				Todd	X			
Allen	X				Grosso	X				White, R.	X			
Bonds	X				McDuffie	X				White, T.	X			
Cheh	X				Nadeau	X								
Evans	X				Silverman	X								

X - Indicate Vote

AB - Absent

NV - Present, Not Voting

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Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB	Councilmember	Aye	Nay	NV	AB
Chmn. Mendelson					Gray					Todd				
Allen					Grosso					White, R.				
Bonds					McDuffie					White, T.				
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X - Indicate Vote

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CERTIFICATION RECORD

Secretary to the Council

Date