

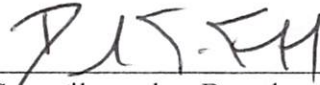
Councilmember Mary M. Cheh



Councilmember Anita Bonds



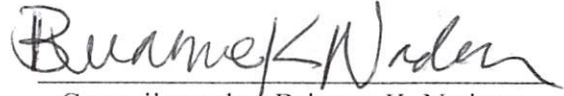
Councilmember Davida Grosso



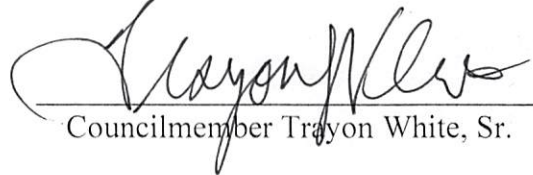
Councilmember Brandon T. Todd



Councilmember Robert C. White, Jr.



Councilmember Brianne K. Nadeau



Councilmember Trayon White, Sr.

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend Title 47 of the District of Columbia Official Code to clarify the definition of a limited-equity cooperative ("LEC") to include an LEC that has membership limitations in its articles of incorporation or organization, limits the household income of a buyer, and requires a vote of at least 2/3 of its membership to amend its articles of incorporation or organization; and to make the property tax abatement for LECs permanent for LEC members whose household income is less than 80% AMI in LECs where at least 50% of the LEC's households are also less than 80% AMI.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Limited Equity Cooperative Property Tax Assistance Amendment Act of 2020".

Sec. 2. Title 47 is amended as follows:

(a) Section 802(11) is amended to read as follows:

"(11) The term "limited-equity cooperative" means a cooperative that is required by a government agency, nonprofit organization, or by its articles of incorporation or organization to:

20 (A) Limit either:
21 (i) The resale price of membership shares; or
22 (ii) The household income of the buyer for the purpose of keeping
23 the housing affordable to incoming members that are low and moderate income; and
24 (B) Requires a vote of at least 2/3 of its membership to amend its articles
25 of incorporation or organization.”.

26 (b) Section 3503(c) is amended as follows:

27 (1) Paragraph (1) is amended to read as follows:

28 “(1) For the purposes of this subsection, the term:

29 “(A) “Carrying charges” means the entire amount of money, money’s worth,
30 benefit, bonus, or gratuity demanded, received, or charged by a cooperative housing association
31 to cover a proportionate share of operating and maintaining the cooperative, including such items
32 as blanket mortgage payments, property taxes, management fees, maintenance costs, insurance
33 premiums, utilities, and contributions to reserve funds.

34 “(B) “Cooperative housing association” has the same meaning given the term
35 in §47-803(2).”.

36 (2) Paragraphs (2)(B), (3), and (4) are amended by striking the word “rent” and
37 inserting the word “carrying charges” in its place.

38 (3) A new paragraph (4a) is added to read as follows:

39 “(4a) Notwithstanding paragraph (4), in the case of a limited-equity cooperative the
40 exemption provided by this subsection shall not expire at the end of the fifth tax year following
41 the year in which the cooperative property qualified for the property tax exemption pursuant to
42 paragraph (4), so long as:

43 “(1) At least 50% of the dwelling units contained therein are occupied by
44 households whose household income does not exceed 80% of the lower income guidelines
45 established pursuant to section 8 of the United States Housing Act of 1937, approved August 22,
46 1974 (88 Stat. 662; 42 U.S.C. § 1437f), for the Washington Standard Metropolitan Statistical
47 Area (SMSA), as the median is determined by the United States Department of Housing and
48 Urban Development and adjusted yearly by historic trends of that median, and as further may be
49 adjusted by an interim census of District incomes by local or regional government agencies;

50 “(2) The conditions of transfer described in § 47-3502 and the credit against
51 carrying charges requirement described in paragraph (2)(B) of this subsection are met; and

52 “(3) The cooperative recertifies its eligibility for the exemption every 5 years.”.

53 Sec. 3. Conforming Amendment.

54 Section 2(2) of the Limited-Equity Cooperative Task Force Act of 2018, effective July 3,
55 2018 (D.C. Law 22-119; D.C. Official Code § 42-2061) is amended to read as follows:

56 “(2) “Limited-equity cooperative” or “LEC” has the same meaning given the term
57 in D.C. Official Code § 47-802(11).”.

58 Sec. 4. Applicability.

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

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

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

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

68 Sec. 5. Fiscal impact statement.

69 The Council of the District of Columbia adopts the fiscal impact statement in the
70 committee report as the fiscal impact statement required by section 4a of the General Legislative
71 Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-
72 301.47a).

73 Sec. 6. Effective date.

74 This act shall take effect following approval by the Mayor (or in the event of veto by the
75 Mayor, action by Council to override the veto), a 30-day period of congressional review as
76 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
77 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of
78 Columbia Register.