

AN ACT

*Codification
District of
Columbia
Official Code*

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend section 47-813(c-6) of the District of Columbia Official Code to clarify the definitions of real property classifications.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Real Property Classification Clarification Act of 2004".

Sec. 2. Section 47-813(c-6) of the District of Columbia Official Code is amended to read **Amend § 47-813** as follows:

"(c-6)(1) For the real property tax year beginning October 1, 2002, and ending September 30, 2003, and for each subsequent tax year, the following classes of taxable real property are established:

- "(A) Class 1 Property;
- "(B) Class 2 Property; and
- "(C) Class 3 Property.

"(2)(A) Class 1 Property shall be comprised of residential real property that:

- "(i) Is improved;
- "(ii) Is occupied; and
- "(iii) Is used exclusively for nontransient residential dwelling

purposes.

"(B) Unimproved real property which abuts Class 1 Property shall be classified as Class 1 Property if the unimproved real property and the Class 1 Property have common ownership.

"(C) Residential real property that is either unoccupied or unimproved shall remain classified as Class 1 property if:

"(i) The improved real property is unoccupied due to a fire, flood, or other casualty, if the property was occupied at the time of the casualty, and the fire, flood, or other casualty occurred during the 12 months preceding the tax year and was not intentionally caused by the owner or sole tenant;

"(ii) The real property is actively offered for sale or rental at a reasonable market price as of September 30 of the preceding tax year or as of March 31 of the current tax year; provided, that a property which has been offered for sale or rental for more than 8 months shall be presumed not to be offered for sale or rental at a reasonable market price;

"(iii) A building permit or a demolition permit has been issued and construction or demolition is actively pursued as of September 30 of the preceding tax year or as of March 31 of the current tax year;

"(iv) A building permit has been issued during the 24 months preceding the current tax year;

"(v) The improved real property is the subject of a probate proceeding or title to the improved real property is the subject of litigation;

"(vi) An application for a necessary approval for development of the improved real property is pending, as of September 30 of the preceding tax year or as of March 31 of the current tax year, before the Board of Zoning Adjustment, the Zoning Commission for the District of Columbia, the Commission on Fine Arts, the Historic Preservation Review Board, the Mayor's Agent for Historic Preservation, or the National Capital Planning Commission;

"(vii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right;

"(viii) The unimproved real property is used as a parking lot and each approval required from the District government for use as a parking lot has been obtained;

"(ix) Unimproved air rights lot that appertains to improved and occupied real property;

"(x) Property is designated as a historic landmark under subchapter I of Chapter 11 of Title 6, or is the subject of an agreement that runs with the land and provides for the preservation of certain historic features of the improvement;

"(xi) The unimproved real property is the subject of a public hearing on a proposed overlay zone or on a proposed downzoning of the zone district classification of the real property (other than a downzoning under § 1-301.67 or § 1-301.68); or

"(xii) The unimproved real property is encumbered by a deed of trust that was recorded during the 24 months preceding the current tax year.

"(D) Unimproved real property which is separated from Class 1 Property by a public alley less than 30 feet wide shall be classified as Class 1 Property if:

"(i) The unimproved real property is less than 1,000 square feet;

"(ii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right; and

"(iii) The owner of the unimproved real property also owns the Class 1 Property separated by the alley from the unimproved real property.

"(3)(A) Class 2 Property shall be comprised of commercial real property that is improved and occupied.

"(B) Unimproved real property which abuts Class 2 Property shall be classified as Class 2 Property if the unimproved real property and the Class 2 Property have common ownership.

"(C) Commercial real property that is unimproved or unoccupied shall remain classified as Class 2 Property if:

"(i) The improved real property is unoccupied due to a fire, flood, or other casualty, if the property was occupied at the time of the casualty, and the fire, flood, or other casualty occurred during the 12 months preceding the tax year and was not intentionally caused by the owner or sole tenant;

"(ii) The real property is actively offered for sale or rental at a reasonable market price as of September 30 of the preceding tax year or as of March 31 of the current tax year; provided, that a property which has been offered for sale or rental for more than

8 months shall be presumed not to be offered for sale or rental at a reasonable market price;

"(iii) A building permit or a demolition permit has been issued and building or demolition is actively pursued as of September 30 of the preceding tax year or as of March 31 of the current tax year;

"(iv) A building permit has been issued during the 24 months preceding the current tax year;

"(v) The improved real property is the subject of a probate proceeding or title to the improved real property is the subject of litigation;

"(vi) An application for a necessary approval for development of the real property is pending, as of September 30 of the preceding tax year or as of March 31 of the current tax year, before the Board of Zoning Adjustment, the Zoning Commission for the District of Columbia, the Commission on Fine Arts, the Historic Preservation Board, the Mayor's Agent for Historic Preservation, or the National Capital Planning Commission;

"(vii) The zoning regulations adopted by the Zoning Commission for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right;

"(viii) The unimproved real property is used as a parking lot and each approval required from the District government for use as a parking lot has been obtained;

"(ix) An unimproved air rights lot that appertains to improved and occupied real property;

"(x) Property is designated as a historic landmark under subchapter I of Chapter 11 of Title 6, or is the subject of an agreement that runs with the land and provides for the preservation of certain historic features of the improvement;

"(xi) The unimproved real property is the subject of a public hearing on a proposed overlay zone or on a proposed downzoning of the zone district classification of the real property (other than a downzoning under § 1-301.67 or § 1-301.68); or

"(xii) The unimproved real property is encumbered by a deed of trust that was recorded during the 24 months preceding the current tax year.

"(D) Class 2 Property shall include, as of September 30 of the preceding tax year, the unimproved real property that is within the Northeast No. 1/Eckington Yards Special Treatment Area and the Buzzard Point/Near Southeast Development Opportunity Area, as designated on the current District of Columbia Generalized Land Use Map that is part of the Comprehensive Plan; provided, that the real property is zoned for commercial development and the real property owner is engaged in predevelopment activities as supported by written documentation. For the purpose of this subparagraph, the term "predevelopment activities" means completion of one of the following:

"(i) Preparation of subdivision or large tract review applications;

"(ii) Preparation or application for District of Columbia permits or authorizations to proceed with development;

"(iii) Participation in special planning or transportation studies prepared in conjunction with the District of Columbia; or

"(iv) Completion of environmental assessment or mitigation studies prepared in conjunction with the District of Columbia.

"(E) Unimproved real property which is separated from Class 2 Property by a public alley less than 30 feet wide shall be classified as Class 2 Property if :

"(i) The unimproved real property is less than 1,000 square feet;

"(ii) The zoning regulations adopted by the Zoning Commission

for the District of Columbia do not allow the building of any structure on the unimproved real property as a matter of right; and

"(iii) The owner of the unimproved real property also owns the Class 2 Property separated by the alley from the unimproved real property.

"(4) Class 3 Property shall be comprised of all real property which cannot be classified as either Class 1 Property or Class 2 Property."

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement contained in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 4. 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 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