

**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: DEC 18 2006

SUBJECT: Fiscal Impact Statement: "Neighborhood Investment Act Spending Plan for FY 2007 Emergency Approval Resolution of 2006"

REFERENCE: Proposed Resolution - No Bill Number Available

Conclusion

Funds are sufficient in the FY 2007 through FY 2010 budget and financial plan to implement the proposed legislation.

Background

The proposed resolution would approve, on an emergency basis, the Mayor's spending plan to implement the "Neighborhood Investment Act of 2004" ("Act") for FY 2007. The proposed spending plan would fund five projects – NIF Target Area Project Grants, NIF Government Projects, Neighborhood Investment Planning, Land Acquisition & Predevelopment Loan Fund, and the Neighborhood Grants Program – and the cost of general administration for these projects. The proposed resolution also establishes project evaluation criteria for the projects.

The 2004 Act established the Neighborhood Investment Fund ("Fund"), which is a nonlapsing, revolving fund outside of the General Fund. The Act requires that, subject to appropriations, an amount equal to 15 percent of the personal property tax should be deposited into the Fund annually, not to exceed \$10 million.

Financial Plan Impact

Funds are sufficient in the FY 2007 through FY 2010 budget and financial plan to implement the proposed legislation because sufficient resources have been allocated to the Fund. The proposed resolution would authorize spending on five projects totaling \$9.74 million. Estimated revenues in the Neighborhood Investment Fund for FY 2007 are \$9.74 million, as reflected in the FY 2007 Budget (Table 4-35).