

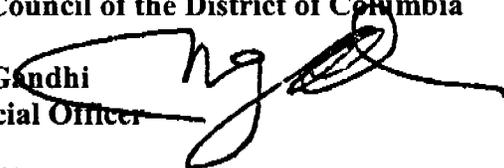
**Government of the District of Columbia  
Office of the Chief Financial Officer**

**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:** MAR 21 2006

**SUBJECT:** Fiscal Impact Statement: "Convention Center Hotel Parcel Exchange Approval Resolution of 2006"

**REFERENCE:** PR 16-674 As Introduced

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**Conclusion**

Funds are sufficient in the proposed FY 2006 through FY 2009 budget and financial plan as agreed to by the Mayor and the Council of the District of Columbia to implement the proposed legislation. The proposed legislation has no net fiscal impact.

**Background**

Marriot/RLJ applied for assistance through the District's Tax Increment Financing program for the development of a convention hotel on 9<sup>th</sup> Street, adjacent to the Washington Convention Center.

As part of assembling land for the development of the Convention Center Hotel on 9<sup>th</sup> Street the District is planning to exchange a District-owned 57,000 square foot parcel on the old convention center hotel site (the OCC parcel) with a privately-owned 60,000 square foot parcel (the Gould parcel) on the Hotel site. The assessed value of the Gould parcel is \$72.6 million. The assessed value of the OCC parcel is \$75.9 million. The result is a decline in net assets of the District of \$3.3 million. This difference in value does not impact the Budget and Financial Plan because the value of assets is not part of the Budget and Financial Plan.

The Honorable Linda W. Cropp

FIS: "PR 16-674, "Convention Center Hotel Parcel Exchange Approval Resolution of 2006"

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### **Financial Plan Impact**

The land swap associated with the Convention Center hotel development does not impact the Budget and Financial Plan because the value of assets is not part of the Budget and Financial Plan.