

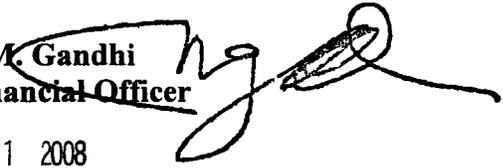
GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: FEB -1 2008

SUBJECT: Fiscal Impact Statement: "New Communities Initiative Bond Issuance
Emergency Approval Resolution of 2008"

REFERENCE: Draft Legislation – No Number Assigned

Conclusion

Funds are sufficient in FY 2008 through 2011 budget and financial plan to implement the provisions of the proposed resolution.

Background

The proposed resolution approves the issuance of bonds pursuant to the Housing Production Trust Fund Act of 1988 (as amended by the Budget Support Act of 2007). The Act authorizes the Mayor to issue bonds backed by up to \$16 million per year from the Housing Production Trust Fund (HPTF). Council previously approved the use of \$6 million of these funds to issue debt for the Northwest One development project. The Mayor has issued debt backed by \$2 million of this \$6 million authorization. No other recurring obligations have been made on the HPTF.

The proposed resolution increases the HPTF securitization authority for Northwest One from \$6 million to \$7 million. The resolution also approves the issuance of bonds backed by up to \$9 million per year of HPTF funds to help pay for the redevelopment of Barry Farms, Lincoln Heights, and Park Morton. With this resolution, the Council has authorized the full use of the \$16 million authorized in the Act. The HPTF is forecasted to generate approximately \$43 million per year from 2009-2012.

Financial Plan Impact

Funds are sufficient in FY 2008 through 2011 budget and financial plan to implement the provisions of the proposed resolution.