

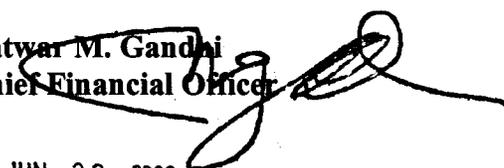
Government of the District of Columbia
Office of the Chief Financial Officer



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: JUN 30 2008

SUBJECT: Fiscal Impact Statement: "Downtown BID Amendment Act of 2008"

REFERENCE: Bill Number 17-713 Committee Print¹

Conclusion

Funds are sufficient in the FY 2008 budget and the proposed FY 2009 through FY 2012 budget and financial plan to implement the proposed legislation. The proposed legislation is not anticipated to have a fiscal effect on the District's budget and financial plan.

Background

The proposed legislation would amend the existing Downtown Business Improvement District (BID) as defined in D.C. Official Code § 2-1215.51(c)(1) to retroactively revise the tax rate for commercial properties and hotels as follows:

- \$0.149835 per rentable square foot of commercial properties;
- \$74.215 per hotel room; and
- \$0.149835 per square foot of land.

The hotel BID tax rate would be effective as of April 1, 2008. All other Downtown BID tax rates would be effective as of October 1, 2007.

Financial Plan Impact

Funds are sufficient in the FY 2008 budget and the proposed FY 2009 through FY 2012 budget and financial plan to implement the proposed legislation. The proposed legislation is not

¹ Dated May 2008

anticipated to have a fiscal effect on the District's budget and financial plan. The assessment of costs associated with implementation of the proposed legislation was made assuming that no interim billing will be required to affect the retroactive rate changes.