

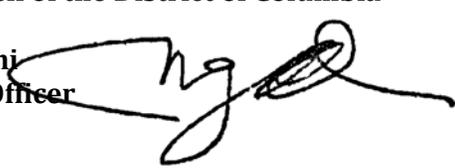
Government of the District of Columbia  
Office of the Chief Financial Officer



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer 

**DATE:** April 29, 2013

**SUBJECT:** Fiscal Impact Statement – “Capitol Hill Business Improvement District Amendment Act of 2013”

**REFERENCE:** Bill 20-92, As Introduced

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**Conclusion**

Funds are sufficient in the FY 2013 budget and the proposed FY 2014 through FY 2017 budget and financial plan to implement the bill.

**Background**

The bill increases<sup>1</sup> the total annual amount of special assessments taxes, or “BID” taxes that can be levied on a property in the Capitol Hill Business Improvement District (Capitol Hill BID) from \$75,000 to \$125,000. The increase will apply to BID taxes due on or after January 1, 2013.

The Capitol Hill BID is a non-profit organization focused on promoting economic development activities in a specified area of Capitol Hill.<sup>2</sup> The BID taxes levied on non-exempt properties owners are in addition to real property taxes; however, revenue from these special assessments do not accrue to the District’s general fund, but instead are directed to and used by the Capitol Hill BID to carry out its mission.<sup>3</sup>

**Financial Plan Impact**

Funds are sufficient in the FY 2013 budget and the proposed FY 2014 through FY 2017 budget and financial plan to implement the bill. Increasing the total amount of BID taxes that can be levied on a

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<sup>1</sup> By amending Section 204(c) of the Business Improvements Districts Act of 1996, effective March 17, 2005 (D.C. Law 15-257; D.C. Official Code § 2-1215.54(c)(2)).

<sup>2</sup> D.C. Official Code § 2-1215.54(b).

<sup>3</sup> <http://www.capitolhillbid.org/>

The Honorable Phil Mendelson

FIS: Bill 20-92, "Capitol Hill Business Improvement District Amendment Act of 2013," as Introduced.

non-exempt property owner subject to the special assessments does not have an impact on the District's budget and financial plan. As mentioned above, all revenue collected through BID taxes are directed to the Capitol Hill BID to carry out its mission.