

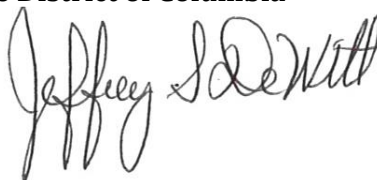
Government of the District of Columbia
Office of the Chief Financial Officer



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

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

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: January 30, 2018

SUBJECT: Fiscal Impact Statement – Limited-Equity Cooperative Task Force Act of 2018

REFERENCE: Bill 22-99, Draft Committee Print sent to the Office of Revenue Analysis on January 24, 2018

Conclusion

Funds are sufficient in the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the bill.

Background

The bill creates the Limited-Equity Cooperative Task Force, which will provide Council with comprehensive policy recommendations on how the District can assist in the formation of new limited-equity cooperatives (LECs) and help existing LECs succeed.

The Task Force will consist of at least 11 members, including representatives from the Department of Housing and Community Development (DHCD) and the District of Columbia Housing Finance Agency (DCHFA). The Chair of the Committee on Housing and Neighborhood Revitalization will appoint the chair of the Task Force. Members will not be compensated and must either work or live in the District.

DHCD will provide administrative support to the Task Force.

Within 180 days of the appointment of its members, the Task Force will have to submit to Council a report with policy and legislative recommendations as well as options for funding LECs. The Task Force will dissolve once it has submitted the report.

The Honorable Phil Mendelson

FIS: Bill 22-99, "Limited-Equity Cooperative Task Force Act of 2018," Draft Committee Print sent to the Office of Revenue Analysis on January 24, 2018

Financial Plan Impact

Funds are sufficient in the fiscal year 2018 through fiscal year 2021 budget and financial plan to implement the bill.

DHCD will need to spend approximately \$60,000 (\$39,000 in fiscal year 2018 and \$21,000 in fiscal year 2019) to hire a consultant to manage the Task Force, provide administrative support, and produce the required report. The agency has enough money in its budget and financial plan to cover this cost.

The cost estimate is based on the consultant being retained for 222 days (which includes six weeks' prep before the Task Force convenes). The agency estimates the consultant will spend a quarter of his or her time on administrative duties, a quarter on management, and half on gathering and analyzing information and writing the report.

Because the consultant managing the Task Force is expected to begin work in May 2018, and the Task Force is expected to be active through mid-December 2018, the cost of the consultant spans fiscal years 2018 and 2019.

There will be no cost for DCHFA to provide a representative to serve on the Task Force.