

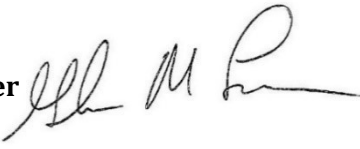
Government of the District of Columbia
Office of the Chief Financial Officer



Glen Lee
Chief Financial Officer

MEMORANDUM

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

FROM: Glen Lee
Chief Financial Officer 

DATE: November 27, 2023

SUBJECT: Fiscal Impact Statement – Friendship Heights Business Improvement
District Amendment Act of 2023

REFERENCE: B25-0149, Draft Committee Print as provided to the Office of Revenue
Analysis on November 21, 2023

Conclusion

Funds are sufficient in the fiscal year 2024 through fiscal year 2027 budget and financial plan to implement the bill.

Background

Business Improvement Districts (BIDs) are defined geographical areas designated to support commercial and economic activity within that region. A neighborhood seeking to form a BID must create a not-for-profit entity to manage the BID, elicit public feedback, define the geographic boundaries of the BID, and develop a business plan (among other activities) before submitting the proposal to the Mayor (through the Department of Small and Local Business Development). Once DSLBD approves the submission, the District will collect BID taxes on applicable properties and provide it back to the BID. No funds are retained by the District.

The bill establishes a Friendship Heights BID and provides the authority for BID taxes to be collected starting October 1, 2023. Temporary and emergency versions of the bill became effective July 10, 2023.¹ Thus, the bill reflects no change from current practice.

¹ See Friendship Heights Business Improvement District Emergency Amendment Act of 2023, enacted July 10, 2023 (D.C. Act 25-165; 70 DCR 9735) and Friendship Heights Business Improvement District Temporary Amendment Act of 2023, effective Sept. 16, 2023 (D.C. Law 25-54; D.C. Code § 2-1215.62).

The Honorable Phil Mendelson
FIS: B25-0149, "Friendship Heights Business Improvement District Amendment Act of 2023," Draft
Committee Print provided to the Office of Revenue Analysis on November 21, 2023

Financial Plan Impact

Funds are sufficient in the fiscal year 2024 through fiscal year 2027 budget and financial plan to implement the bill. The District is already administering the BID tax required by the bill.