

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



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Kwame R. Brown
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: February 9, 2011

SUBJECT: Fiscal Impact Statement – “Howard Theatre Redevelopment Project
Great Streets Initiative Tax Increment Financing Amendment Act of
2011”

REFERENCE: Draft legislation, no bill number

Conclusion

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the proposed legislation. The legislation is a technical amendment to Bill 18-0844 “Howard Theatre Redevelopment Project Great Streets Initiative Tax Increment Financing Act of 2010” (“2010 Act”). The legislation amends the 2010 Act to authorize the inclusion of real property possessory interest tax to support the debt to be issued to finance the Howard Theatre Redevelopment Project.

Background

The 2010 Act authorized the Mayor to issue bonds in an amount not to exceed \$4 million for the purposes of funding a portion of the costs of the Howard Theatre Redevelopment Project.

The project is part of the Great Streets TIF Initiative which has previously been budgeted, and is included in the District’s debt cap analysis. This legislation is a technical amendment to the 2010 Act. As the District will retain ownership of the property and lease it to the Howard Theatre Redevelopment Group, this legislation amends the 2010 Act to expand the definition of “Available Real Property Tax Increment Revenues” to authorize the inclusion of real property possessory interest tax in the tax increment to support the bonds to be issued to finance the Howard Theatre Redevelopment Project. This amendment will provide that payments by Howard Theatre Redevelopment Group of real property possessory interest tax will be authorized to be dedicated to debt service on the project.

The Honorable Kwame R. Brown

FIS: Howard Theatre Redevelopment Project Great Streets Initiative Tax Increment Financing Amendment Act of 2011, draft legislation

Financial Plan Impact

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the proposed legislation. The proposed legislation is a technical amendment to the “Howard Theatre Redevelopment Project Great Streets Initiative Tax Increment Financing Act of 2010” and has no fiscal impact.