

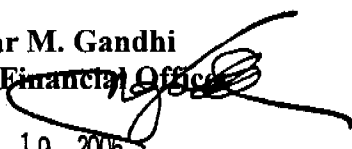
**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: MAY 19 2006

SUBJECT: Fiscal Impact Statement: "Old Engine Company Number 12
Sale Approval Resolution of 2006"

REFERENCE: Public Resolution Number 16-728 as Introduced

Conclusion

Funds are sufficient in the FY 2006 or the proposed FY 2007 through FY 2010 budget and financial plan as submitted by the Mayor to the Council of the District of Columbia (Council) to execute the proposed sale. The District will receive \$600,000 in sale proceeds.

Background

The proposed resolution approves the disposal of property identified as Square 3101, Lot 0001, known as the Old Engine Company Number 12 building. The building is located at 1626 North Capital Street, N.W. Market Appraisal Corporation conducted an appraisal of the property and concluded on September 16, 2005 that it is valued at approximately \$677,300.

The building and land have been designated as surplus District government property. The building is late 19th century construction with an approximate gross building area of 6,288 square/feet. The building is vacant and in poor condition.

The District has received an offer for the purchase of the property by NC Firehouse, LLC. The proposed legislation would approve the conditions of the sale which are to include:

1. Consummation of the sale at a price of \$600,000;
2. Purchaser is to restore the improvements to the property commensurate with historical preservation law and regulations;

3. The purchaser is required to include within the restoration of the property's improvements:
 - a. A full service sit-down restaurant;
 - b. Ground floor retail; and
 - c. Cultural space available to the public; and
4. The purchaser and any developer must execute an LSDBE MOU and a First Source Agreement with the District.

Financial Plan Impact

Funds are sufficient in the budget and financial plan to implement the proposed approval resolution. No additional staff or resources will be required to implement the proposed approval resolution and subsequent sales agreement. Upon consummation of the sale the District will receive \$600,000 in sales proceeds.