

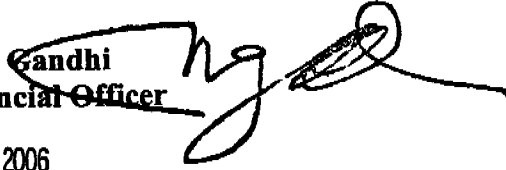
**Government of the District of Columbia
Office of the Chief Financial Officer**



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: JUN 29 2006

SUBJECT: Fiscal Impact Statement: "Great Streets Initiative Bond Bread Building Exchange Approval Resolution of 2006"

REFERENCE: Draft Legislation – No Number Assigned

Conclusion

Funds are sufficient in the FY 2006 budget and the proposed FY 2007 through FY 2010 budget and financial plan to implement the proposed legislation. The proposed legislation has no net fiscal impact.

Background

The Mayor is proposing an exchange of properties between the District and Howard University to facilitate Howard University's development of the Howard Town Center. The District would exchange a 39,072 square foot parcel, Lot 0930 in Square 2877 (the "Bond Bread Parcel") for a 63,418 square foot parcel, part of Lot 0796 in Square 2873 (the "Howard Parcel").

In October of 2004, the Bond Bread Parcel was appraised at \$8,860,000. At that time the Howard Parcel was appraised at \$9,703,000. Based on the 2004 appraisals, the result is an increase of approximately \$900,000 in net assets of the District. However, a difference in value between the two parcels exchanged will have no impact on the District's budget because the value of District assets is not part of the budget and financial plan.

The Honorable Linda W. Cropp

FIS: "Great Streets Initiative Bond Bread Building Exchange Approval Resolution of 2006"

Page 2 of 2

Financial Plan Impact

The land exchange associated with the Bond Bread Building will not impact the District's budget and financial plan.