

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
Office of the Chief Financial Officer



Natwar M. Gandhi  
Chief Financial Officer

2006 NOV - 2 AM 9:52  
CHAIRMAN CROPP

**MEMORANDUM**

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

**FROM:** Natwar M. Gandhi  
Chief Financial Officer

**DATE:** NOV - 2 2006

**SUBJECT:** Fiscal Impact Statement: "West End Business Improvement District Amendment Act of 2006"

**REFERENCE:** Bill 16-951 As Introduced

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**Conclusion**

Funds are sufficient in the FY 2007 budget and the proposed FY 2007 through 2010 budget and financial plan to implement the provisions of the proposed legislation.

**Background**

The proposed legislation amends the Business Improvement District Act of 1996 to create the West End BID. This amendment levies a tax on non-exempt real property and the commercial portion of mixed use property of \$.12 per \$100 of assessed value. These taxes are paid in addition to regularly paid property taxes. The new taxes support the BID, which is established to promote economic growth and employment in the District.

**Financial Plan Impact**

Funds are sufficient in the FY 2007 budget and the proposed FY 2007- FY 2010 budget and financial plan to implement the provisions of the proposed legislation. All pre-existing taxes will be collected from businesses located within the West End BID and deposited in the General Fund. The special BID tax authorized by this bill would provide additional revenue from West End businesses to be used solely for West End business development projects.

The proposed legislation will result in reimbursable administrative costs to the Office of Tax and Revenue of \$14,000 in FY 2007 and \$26,000 from FY 2007 through FY 2010.

*Figure 1.*

<b>Estimated Impact to the Financial Plan</b>					
<b>(\$ in 000s)</b>					
<b>Item</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>4 - Year Total</b>
Administration Costs	\$14	\$4	\$4	\$4	\$26