

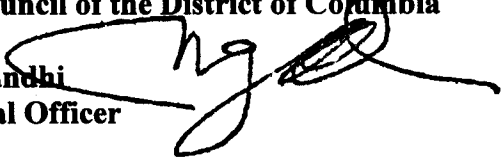
GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: OCT 16 2007

SUBJECT: Fiscal Impact Statement: "Neighborhood Investment Act Spending Plan for FY 2008 Approval Resolution of 2007"

REFERENCE: Proposed Resolution - No Bill Number Available

Conclusion

Funds are sufficient in the FY 2008 through FY 2011 budget and financial plan to implement the proposed legislation.

Background

The proposed resolution would approve the Mayor's spending plan to implement the "Neighborhood Investment Act of 2004" ("Act") for FY 2008. The proposed spending plan would fund the projects (or projects within the following agencies):

- Neighborhood Investment Fund (NIF) Target Area Project Grants – \$3.9 million;
- NIF Government Projects – \$2.7 million;
- Neighborhood Grants Program – \$600,000;
- Predevelopment and Project Grant Fund – \$2.0 million;
- D.C. Office of Planning – \$750,000;
- D.C. Department of Small and Local Business Development/Main Streets – \$800,000;
- D.C. Department of Transportation – \$1.5 million.

The spending plan would fund the cost of general administration (\$429,094) and contractual services (\$250,000) related to these projects. In addition, the proposed resolution would

authorize the disbursement of prior grants in the amount of \$1.96 million. The proposed resolution also establishes project evaluation criteria for the projects.

The 2004 Act established the Neighborhood Investment Fund ("Fund"), which is a nonlapsing, revolving fund outside of the General Fund. The Act requires that, subject to appropriations, an amount equal to 15 percent of the personal property tax should be deposited into the Fund annually, not to exceed \$10 million.

Financial Plan Impact

Funds are sufficient in the FY 2008 through FY 2011 budget and financial plan to implement the proposed legislation because sufficient resources have been allocated to the Fund. The proposed resolution would authorize spending on the aforementioned projects totaling \$14,886,052. Estimated revenues in the Fund for FY 2008 are \$9,875,000, as reflected in the FY 2008 Budget (Table 4-15). In addition, there is a certified Fund balance of \$5,178,552 for FY 2008 (FY 2008 Budget, Table 4-37). Thus, the total revenues available for FY 2008 are \$15,053,552, which would cover the expenditures in the proposed resolution.