

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: May 4, 2009

SUBJECT: Fiscal Impact Statement: "Southeastern Bus Garage Relocation
Emergency Approval Resolution of 2009"

REFERENCE: Draft Legislation - No Bill Number

Conclusion

Funds are sufficient in the FY 2009 budget and the proposed FY 2010 through FY 2013 budget and financial plan to implement the proposed legislation. The proposed disposition of a District parcel would result in a reduction in District real property assets of approximately \$8.05 million. However, because District assets are not included in the budget and financial plan, the disposition has no fiscal impact. In addition, the purchaser would pay the District \$6.85 million in FY 2009¹.

Background

The proposed legislation authorizes the Mayor to dispose of a 16-acre portion of District-owned property located within Parcel 253, Lot 26 in the area known as "D.C. Village." The property would be sold to the Washington Metropolitan Area Transit Authority (WMATA) to build a new bus garage to replace the former Southeastern Bus Garage displaced by the development around the new baseball stadium.

The property was independently appraised at \$8.05 million². The sales contract is currently being negotiated and, according to the Deputy Mayor for Planning and Economic Development,

¹ The Deputy Mayor for Planning and Economic Development reports that the sales contract is not final, but is currently being negotiated between the District and WMATA.

² Appraisal by M&B Appraisal Group of Washington DC dated September 30, 2008.

the price of the property will be adjusted to \$6.85 million to compensate WMATA for \$1.2 million in operating costs associated with the interim accommodations WMATA had to make after the closing of the former Southeastern Bus Garage.

The sale of the property will result in a loss of assets to the District. However, the value of District assets is not a component of the budget and financial plan.

Fiscal Impact

Funds are sufficient in the FY 2009 budget and the proposed FY 2010 through FY 2013 budget and financial plan to implement the proposed legislation. The District will experience a loss of assets, but the value of assets is not included in the budget and financial plan. In FY 2009, the legislation will have a positive fiscal impact of approximately \$6.85 million based on the preliminary purchase price to be paid by WMATA.