PUBLIC HEARING ON

Bill 17-0771 "Downtown Retail Tax Increment Financing Amendment Act of 2008"

Before the
Committee on Finance and Revenue
Council of the District of Columbia
Councilmember Jack Evans, Chairman

July 2, 2008, 10:00 am
John A. Wilson Building, Room 120

Testimony of
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For Economic Development Finance

Natwar M. Gandhi
Chief Financial Officer
Government of the District of Columbia

Good morning Chairman Evans and members of the Committee on Finance and Revenue. I am John Ross, Senior Advisor to the Chief Financial Officer for Economic Development Finance. I am pleased to testify today on behalf of the CFO on Bill 17-0771, the "Downtown Retail Tax Increment Financing Amendment Act of 2008".

The "Downtown Retail Tax Increment Financing Amendment Act of 2008" amends the Retail Incentive Act of 2004 by adding "grocery and specialty food stores" to the existing types of retail development authorized to be supported by tax increment financing in the Downtown Retail Priority Area.

The proposed legislation has no impact on the FY 2009 through FY 2012 Budget and Financial Plan. There is no additional cost to the District of Columbia to implement this proposed legislation because the Council has already authorized the Mayor to issue up to $30 million in TIF funds to support retail development in the designated "Downtown Retail Priority Area."

To date, $9.75 million of the $30 million has been issued. The proposed legislation does not change the amount of debt the Mayor is authorized to

issue; it simply expands the definition of the type of venue that can be supported with this subsidy. Therefore, there is no additional cost to the District to implement the proposed legislation.

I will be pleased to answer any questions you may have.