

# COUNCIL OF THE DISTRICT OF COLUMBIA

## NOTICE

### D.C. LAW 16-163

#### "New Convention Center Hotel Omnibus Financing and Development Act of 2006"

Pursuant to Section 412 of the District of Columbia Home Rule Act, P.L. 93-198 (the Charter), the Council of the District of Columbia adopted Bill 16-630 on first and second readings May 2, 2006 and June 6, 2006, respectively. Following the signature of the Mayor on June 27, 2006, pursuant to Section 404(e) of the Charter, the bill became Act 16-409 and was published in the July 7, 2006 edition of the D.C. Register (Vol. 53, page 5430). Act 16-409 was transmitted to Congress on July 5, 2006 for a 30-day review, in accordance with Section 602(c)(1) of the Home Rule Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional review period has ended, and Act 16-409 is now D.C. Law 16-163, effective September 19, 2006.



LINDA W. CROPP  
Chairman of the Council

#### Days Counted During the 30-day Congressional Review Period:

July 10,11,12,13,14,17,18,19,20,21,24,25,26,27,28,31

Aug. 1,2,3,4,

Sept. 5,6,7,8,11,12,13,14,15,18

AN ACT

D.C. ACT 16-409

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

JUNE 27, 2006

*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2006 Fall  
Supp.

West Group  
Publisher

To authorize and provide for the issuance, sale, and delivery of District of Columbia revenue bonds secured by tax increment revenues generated by or related to a New Convention Center Hotel and issued pursuant to section 490 of the District of Columbia Home Rule Act; to amend the Washington Convention Center Authority Act of 1994 to allow funds to be used to secure bonds to be issued by the Washington Convention Center Authority; to amend Chapter 47 of the District of Columbia Official Code to exempt acquisition and disposition of real property in connection with land assembly for development of a New Convention Center Hotel from certain taxes; and to amend the Washington Convention Center Authority Act of 1994 to authorize the lease of real property for the development of a site for the New Convention Center Hotel and to authorize the Mayor to exercise eminent domain authority in the New Convention Center Hotel area.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "New Convention Center Hotel Omnibus Financing and Development Act of 2006".

TITLE I. FINANCING.

Sec. 101. Definitions.

For the purposes of this act, the term:

(1) "Authority" means the Washington Convention Center Authority established under the Washington Convention Center Authority Act.

(2) "Authorized Delegate" means the City Administrator, the Chief Financial Officer, the Treasurer, or any officer or employee of the executive office of the Mayor to whom the Mayor has delegated any of the Mayor's functions under this act pursuant to section 422(6) of the Home Rule Act.

(3) "Available Real Property Tax Revenues" means the revenues resulting from the imposition of the tax provided for in Chapter 8 of Title 47 of the District of Columbia Official Code, including any penalties and interest charges, exclusive of the special tax provided for in

section 481 of the Home Rule Act and pledged to payment of general obligation indebtedness of the District.

(4) "Available Sales Tax Revenues" means the revenues resulting from the imposition of the tax under Chapter 20 of Title 47 of the District of Columbia Official Code, including any penalties and interest charges, exclusive of the portion thereof required to be deposited in the Washington Convention Center Fund established pursuant to section 208 of the Washington Convention Center Authority Act.

(5) "Available Tax Increment" means the sum of the Available Sales Tax Revenues and Available Real Property Tax Revenues generated in the New Convention Center Hotel TIF Area in any fiscal year of the District, less the sum of Available Sales Tax Revenues and Available Real Property Tax Revenues generated in the New Convention Center Hotel TIF Area in the base year.

(6) "Bond Counsel" means a firm or firms of attorneys designated as bond counsel from time to time by the Mayor.

(7) "Bonds" means the District of Columbia revenue bonds, notes, or other obligations (including refunding bonds, notes, and other obligations) authorized to be issued pursuant to this act.

(8) "Chief Financial Officer" means the Chief Financial Officer established pursuant to section 424(a)(1) of the Home Rule Act.

(9) "City Administrator" means the City Administrator established pursuant to section 422(7) of the Home Rule Act.

(10) "Closing Documents" means all documents and agreements other than Financing Documents that may be necessary and appropriate to issue, sell, and deliver the bonds contemplated thereby, and includes agreements, certificates, letters, opinions, forms, receipts, and other similar instruments.

(11) "D.C. Citizens' Job Program" means a job training and hiring program which complies with the conditions stated in section 105(a)(2).

(12) "Financing Documents" means the documents other than Closing Documents that relate to the financing or refinancing of transactions to be effected through the issuance, sale, and delivery of the bonds, including any offering document, and any required supplements to any such documents.

(13) "Home Rule Act" means the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 774; D.C. Official Code § 1-201.01 *et seq.*).

(14) "New Convention Center Hotel" means a hotel to be constructed on the New Convention Hotel Site.

(15) "New Convention Center Hotel Fund" means the nonlapsing fund established under section 103.

(16) "New Convention Center Hotel Site" means the area bounded by Ninth Street, N.W., Tenth Street, N.W., M Street, N.W., and Massachusetts Avenue, N.W.

(17) "New Convention Center Hotel TIF Area" means the area designated for the TIF established pursuant to section 104 and defined therein.

(18) "Project" means the financing, refinancing, or reimbursing of costs incurred for the acquisition, construction, installing, and equipping of a hotel having a minimum of 1,200 rooms and suites, together with ancillary facilities customarily found in convention center hotels.

(19) "TIF" means tax increment financing.

(20) "Washington Convention Center Authority Act" means the Washington Convention Center Authority Act of 1994, effective September 28, 1994 (D.C. Law 10-188; D.C. Official Code § 10-1201.01 *et seq.*).

**Sec. 102. Findings.**

The Council finds that:

(1) A new hotel is required at the intersection of Ninth Street and Massachusetts Avenue, N.W., to support the operations of the Washington Convention Center and to enhance the economic benefits to the District of the Washington Convention Center. The construction and development of the New Convention Center Hotel and the expansion of the Washington Convention Center would enable the Washington Convention Center to be more competitive in the convention market, enable it to attract increased business, provide for additional retail use, and enhance the financial viability of the Washington Convention Center. The development of the New Convention Center Hotel is a municipal use that serves many public purposes and is in the interest of, and for the benefit of, the citizens of the District.

(2) Section 490 of the Home Rule Act provides that the Council may, by act, authorize the issuance of District revenue bonds, notes, or other obligations, including refunding bonds, notes, or other obligations, to borrow money to finance, refinance, or reimburse and to assist in the financing, refinancing, or reimbursing of undertakings in certain areas designated in section 490 where the ultimate obligation to repay such revenue bonds, notes, or other obligations is that of one or more governmental persons or entities.

(3) Section 490 of the Home Rule Act provides that bonds may be issued to assist in undertakings in the area of economic development.

(4) The authorization, issuance, sale, and delivery of bonds for the payment of costs of the project are desirable, are in the public interest and will promote the purposes and intent of section 490 of the Home Rule Act.

**Sec. 103. Creation of the New Convention Center Hotel Fund.**

(a) There is hereby established separate and apart from the General Fund of the District of Columbia a special nonlapsing fund designated as the New Convention Center Hotel Fund. The Chief Financial Officer shall deposit into the New Convention Center Hotel Fund the Available Tax Increment. The Chief Financial Officer shall create a sub-account within the New Convention Center Hotel Fund for Available Real Property Tax Revenues and Available Sales Tax Revenues

and shall allocate the receipts from each to the appropriate sub-account. The Mayor may pledge and create a security interest in the funds in the New Convention Center Hotel Fund, or any sub-account or sub-accounts within the Fund, for the payment of the costs of carrying out any of the purposes described in subsection (b) of this section without further action by the Council as permitted by section 490(f) of the Home Rule Act. If bonds are issued, payment will be made in accordance with the provisions of the Financing Documents entered into by the District in connection with the issuance of the bonds.

(b)(1) The funds in the New Convention Center Hotel Fund may be used as follows:

(A) To secure the repayment of the bonds; and

(B) To finance, refinance, or reimburse the District or any instrumentality of the District for costs of the project.

(2) If the New Convention Center Hotel Fund has funds in excess of the amount required for any purpose described in this subsection, 50% of such excess shall be transferred annually to the Authority to promote tourism in the District, Washington Convention Center neighborhood development, hospitality job training and readiness programs, and other needs of the Washington Convention Center.

(c) If, at the end of any fiscal year of the District, the balance of cash and investments in the New Convention Center Hotel Fund exceeds the amounts required under subsection (b) of this section, including the amount of debt service and reserves on the bonds during the upcoming fiscal year, the excess shall be transferred to the General Fund of the District of Columbia.

**Sec. 104. Creation of the New Convention Center Hotel TIF Area.**

(a) There is hereby created a TIF area designated as the New Convention Center Hotel TIF Area. The New Convention Center Hotel TIF Area is defined as the real property located in lots 801 through 805, 40, 838, 839, 62, 65 through 67, 842, 848, 859, and 878, square 369, bounded by M Street, N.W., 9th Street, N.W., L Street, N.W., and 10th Street, N.W., and square 370, bounded by 9th Street, N.W., 10th Street, N.W., M Street, N.W., and Massachusetts Avenue, N.W. As provided under section 103, the Available Tax Increment from the New Convention Center Hotel TIF Area shall be deposited in the New Convention Center Hotel Fund and may be used as provided therein, including as security for the repayment of the bonds.

(b) The base year for determination of Available Sales Tax Revenues from the New Convention Center Hotel TIF Area shall be the tax year preceding the year when this act becomes effective and the base year for determination of Available Real Property Tax Revenues from the New Convention Center Hotel TIF Area shall be the fiscal year of the District when this act becomes effective and the initial assessed value to be used in making such determination shall be the assessed value of each lot of taxable real property in the New Convention Center Hotel TIF Area on the date that this act becomes effective.

Sec. 105. Bond authorization.

(a) The Council approves and authorizes the issuance to the Authority of bonds in an aggregate amount not to exceed \$187 million. The net proceeds shall be used as follows:

- (1) The amount of \$134 million for the costs of the project; and
- (2) The amount of \$2 million for the D.C. Citizens' Job Program; provided, that:

(A) The program shall begin no later than 2 years before the completion of the construction of the New Convention Center Hotel.

(B) The program shall train and hire citizens of the District for permanent employment positions in the New Convention Center Hotel.

(C) The development, administration, and oversight of the program shall be the responsibility of the Authority.

(D) The Authority shall ensure that Marriott International, Inc.; representatives of organized labor; ONE DC (formerly known as Manna CDC), a community development corporation organized in the District; and other community organizations which have demonstrated experience in providing effective job training and placement in hospitality industry jobs participate in the development of the program.

(E) The program shall be designed to provide job-specific training which meets the specifications of positions to be filled at the New Convention Center Hotel and shall provide that District citizens who successfully complete the training be given first consideration for the jobs for which they have been trained.

(b) The bonds shall be tax-exempt or taxable as the Mayor shall determine and shall be payable from and secured by funds in the New Convention Center Hotel Fund (or the portion of such funds as shall be determined in accordance with the terms of the bonds for the payment of debt service on the bonds).

(c) The Mayor is authorized to pay from the proceeds of the bonds the costs and expenses of issuing and delivering the bonds, including, but not limited to, underwriting, legal, accounting, financial advisory, bond insurance or other credit enhancement, marketing and selling the bonds, and printing costs and expenses.

Sec. 106. Bond details.

(a) The Mayor is authorized to take any action reasonably necessary or appropriate in accordance with this act in connection with the preparation, execution, issuance, sale, delivery, security for, and payment of the bonds, including, but not limited to, determinations of:

- (1) The final form, content, designation, and terms of the bonds;
- (2) The principal amount of the bonds to be issued and denominations of the

bonds;

(3) The rate or rates of interest or the method for determining the rate or rates of interest on the bonds;

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(4) The date or dates of issuance, sale, and delivery of, and the payment of interest on, the bonds, and the maturity date or dates of the bonds;

(5) The terms under which the bonds may be paid, optionally or mandatorily redeemed, accelerated, tendered, or called;

(6) Provisions for the registration, transfer, and exchange of the bonds and the replacement of mutilated, lost, stolen, or destroyed bonds;

(7) The creation of any reserve fund, sinking fund, or other fund with respect to the bonds; and

(8) The time and place of payment of the bonds.

(b) The bonds shall contain a legend which shall provide that the bonds are special obligations of the District, are without recourse to the District, are not a pledge of, and do not involve the faith and credit or the taxing power of the District (other than the taxes and fees allocated to the New Convention Center Hotel Fund), do not constitute a debt of the District, and do not constitute lending of the public credit for private undertakings as prohibited in section 602(a)(2) of the Home Rule Act.

(c) The Bonds shall be executed in the name of the District and on its behalf by the manual or facsimile signature of the Mayor, and attested by the Secretary of the District of Columbia by the Secretary's manual or facsimile signature.

(d) The official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the bonds.

(e) The bonds are declared to be issued for essential public and governmental purposes. The bonds, the interest thereon and the income therefrom, and all monies pledged or available to pay or secure the payment of the bonds, shall at all times be exempt from taxation by the District, except for estate, inheritance, and gift taxes.

(f) The District does hereby pledge, covenant, and agree with the holders of the bonds that, subject to the provisions of the Financing Documents, the District will not limit or alter the revenues pledged to secure the bonds or the basis on which such revenues are collected or allocated, will not impair the contractual obligations of the District to fulfill the terms of any agreement made with the holders of the bonds, will not in any way impair the rights or remedies of the holders of the bonds, and will not modify in any way, the exemptions from taxation provided for in this act, until the bonds, together with interest thereon, and all costs and expenses in connection with any suit, action or proceeding by or on behalf of the holders of the bonds, are fully met and discharged. This pledge and agreement for the District may be included as part of the contract with the holders of the bonds. This subsection constitutes a contract between the District and the holders of the bonds. To the extent that any acts or resolutions of the Council may be in conflict with this act, this act shall be controlling.

Sec. 107. Issuance of the bonds.

(a) The bonds shall be issued as a TIF note to the Authority and may be held and used as security for bonds to be issued by the Authority.

(b) The bonds shall not be issued until the Mayor receives an approving opinion from Bond Counsel as to the validity of the bonds and, if the interest on the bonds is expected to be exempt from federal income taxation, the treatment of the interest on the bonds for purposes of federal income taxation.

Sec. 108. Payment and security.

Except as may be otherwise provided in this act, the principal of, premium, if any, and interest on, the bonds shall be payable solely from proceeds received from the sale of the bonds, income realized from the temporary investment of those proceeds, receipts and revenues realized by the District and deposited in the New Convention Center Hotel Fund, and income realized from the temporary investment of those receipts and revenues.

Sec. 109. Financing and Closing Documents.

(a) The Mayor is authorized to prescribe the final form and content of all Financing Documents and all Closing Documents to which the District is a party that may be necessary or appropriate to issue, sell, and deliver the bonds.

(b) The Mayor is authorized to execute, in the name of the District and on its behalf, the Financing Documents and any Closing Documents to which the District is a party by the Mayor's manual or facsimile signature.

(c) If required, the official seal of the District, or a facsimile of it, shall be impressed, printed, or otherwise reproduced on the bonds, the other Financing Documents, and the Closing Documents to which the District is a party.

Sec. 110. Limited liability.

(a) The bonds shall be special obligations of the District. The bonds shall be without recourse to the District. The bonds shall not be general obligations of the District, shall not be a pledge of or involve the faith and credit or the taxing power of the District (other than the Available Tax Increment from the New Convention Center Hotel TIF Area), shall not constitute a debt of the District, and shall not constitute lending of the public credit for private undertakings as prohibited in section 602(a)(2) of the Home Rule Act.

(b) No person, including, but not limited to, any bond owner, shall have any claims against the District or any of its elected or appointed officials, officers, employees, or agents for monetary damages suffered as a result of the failure of the District to perform any covenant, undertaking, or obligation under this act, the bonds, the Financing Documents, or the Closing Documents, or as a result of the incorrectness of any representation in or omission from the

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Financing Documents or the Closing Documents, unless the District or its elected or appointed officials, officers, employees, or agents have acted in a willful and fraudulent manner.

**Sec. 111. District officials.**

(a) Except as otherwise provided in section 110(b), the elected or appointed officials, officers, employees, or agents of the District shall not be liable personally for the payment of the bonds or be subject to any personal liability by reason of the issuance of the bonds, or for any representations, warranties, covenants, obligations, or agreements of the District contained in this act, the bonds, the Financing Documents, or the Closing Documents.

(b) The signature, countersignature, facsimile signature, or facsimile countersignature of any official appearing on the bonds, the Financing Documents, or the Closing Documents shall be valid and sufficient for all purposes notwithstanding the fact that the individual signatory ceases to hold that office before delivery of the bonds, the Financing Documents, or the Closing Documents.

**Sec. 112. Maintenance of documents.**

Copies of the specimen bonds and of the final Financing Documents and Closing Documents shall be filed in the Office of the Secretary of the District of Columbia.

**Sec. 113. Information reporting.**

Within 3 days after the Mayor's receipt of the transcript of proceedings relating to the issuance of the bonds, the Mayor shall transmit a copy of the transcript to the Secretary to the Council.

**Sec. 114. The Washington Convention Center Authority Act of 1994, effective September 28, 1994 (D.C. Law 10-188; D.C. Official Code § 10-1201.01 *et seq.*), is amended as follows:**

(a) Section 201 (D.C. Official Code § 10-1202.01) is amended by adding a new paragraph (7) to read as follows:

**Amend  
§ 10-1202.01**

(7) "New convention center hotel" means a hotel to be constructed on the area bounded by Ninth Street, N.W., Tenth Street, N.W., M Street, N.W., and Massachusetts Avenue, N.W.

(b) Section 204 (D.C. Official Code § 10-1202.04) is amended by adding a new subsection (a-1) to read as follows:

**Amend  
§ 10-1202.04**

"(a-1)(1) Notwithstanding the provisions of subsection (a) of this section, the Authority may, without submission to the Council, adopt inducement resolutions or resolutions authorizing the issuance of bonds and may issue bonds to:

"(A) Acquire one or more parcels of real property within the new convention center hotel site; provided, that the Council has approved the contract for the purchase; and

“(B) To pay certain costs of the development of the new convention center hotel and the expansion of the new convention center.

“(2) The bonds may be secured, in whole or in part, by:

“(A) The tax increment financing note, and security provided therefor, issued pursuant to the New Convention Center Hotel Omnibus Financing and Development Act of 2006, passed on 2nd reading on June 6, 2006 (Enrolled version of Bill 16-630);

“(B) A mortgage on real property; or

“(C) Available revenues, assets, or other property of the Authority, subject to preexisting agreements with holders of the bonds of the Authority.”.

(c) Section 209 (D.C. Official Code § 10-1202.09) is amended by striking the phrase "New Convention Center" and inserting the phrase "New Convention Center and the new convention center hotel" in its place.

Amend  
§ 10-1202.09

Sec. 115. Chapter 46 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) The table of contents is amended by adding the section designation “47-4609. New Convention Center Hotel project–deed and recordation tax exemption.”.

(b) A new section 47-4608 is added to read as follows:

“47-4608. New Convention Center Hotel project–deed and recordation tax exemption.

New  
§ 47-4608

“(a) For the purposes of this section, the term:

“(1) “New Convention Center Hotel TIF Area” means the real property located in lots 801 through 805, 40, 838, 839, 62, 65 through 67, 842, 848, 859, and 878, square 369, bounded by M Street, N.W., 9th Street, N.W., L Street, N.W., and 10th Street, N.W., and square 370, bounded by 9th Street, N.W., 10th Street, N.W., M Street, N.W., and Massachusetts Avenue, N.W.

“(2) “Project” means the financing, refinancing, or reimbursing of costs incurred for the acquisition, construction, installing, and equipping of a hotel having a minimum of 1,200 rooms and suites, together with ancillary facilities customarily found in convention center hotels, in the area bounded by Ninth Street, N.W., Tenth Street, N.W., M Street, N.W., and Massachusetts Avenue, N.W.

“(b) All transfers of real property in the New Convention Center Hotel TIF Area pursuant to the project shall be exempt from the tax imposed by §§ 42-1102 and 47-903.”.

TITLE II. AUTHORIZATION TO LEASE AND CONDEMN LAND FOR NEW CONVENTION CENTER HOTEL.

Sec. 201. The Washington Convention Center Authority Act of 1994, effective September 28, 1994 (D.C. Law 10-188; D.C. Official Code § 10-1201.01 *et seq.*), is amended by adding new titles VII and VIII to read as follows:

“TITLE VII. AUTHORIZATION TO LEASE LAND FOR NEW CONVENTION CENTER HOTEL.

“Sec. 701. Findings.

“The Council finds that in order for the development of the new convention center hotel to proceed, it is necessary for the District and the Authority to lease to Marriott International, Inc., the developer of the new convention center hotel, or its designee, 2 parcels of land that are part of the site of the new convention center hotel.

“Sec. 702. Lease authority for the Mayor.

“The Mayor may grant a lease to Marriott International, Inc., or its designee, of the real property described as lots 62, 838, 839, 848, 859, and 878, square 369, and lots 18, 21, 22, 24, 801 through 806, 830 through 836, 837, 838, 839, 843, and 845, square 370, including all public alleys to be closed within these lots, on the following terms and conditions:

“(1) The lease term shall be 99 years, with no lease payments during the 3 year construction period and during the 1<sup>st</sup> 3 years of operation of the New Convention Center Hotel, up to a maximum of 6 years.

“(2) A lease payment of \$885,000 shall be paid during the 4<sup>th</sup> year of operation in equal monthly installments of \$73,750.

“(3) An annual lease payment of \$3.572 million shall be paid in monthly installments during the 5<sup>th</sup> year of operation and shall increase annually by 2.5% each year until the end of the lease term.

“(4) Lease payments shall be payable from cash available after the developer’s debt service payments on a loan for the new convention center hotel.

“(5) The lease may be subordinated to a leasehold mortgage securing development financing for the developer.

“Sec. 703. Lease authority for the Authority.

“The Authority may lease to Marriott International, Inc., or its designee, the real property described as lots 22 and 24, square 370, on the following terms and conditions:

“(1) The lease term shall be 99 years, with no lease payments during construction up to a maximum of 3 years.

“(2) An annual lease payment, beginning upon the opening of the new convention center hotel, equal to the debt service costs related to funding the parcel’s purchase price, construction period interest, reserves, and issuance costs.

“(3) Commencing in the 31<sup>st</sup> year of operation of the new convention center hotel, and for each year thereafter during the lease term, the lease payment shall be \$500,000, increased every 10 years by 5% thereafter.

“(4) Lease payments shall be payable from cash available after payment of the developer’s debt service on a loan for the new convention center hotel.

“(5) The lease may be subordinated to a leasehold mortgage securing development financing for the lease.”

**"TITLE VIII. EMINENT DOMAIN.**

**"Sec. 801. Definitions.**

**"For the purpose of this title, the term:**

**"(1) "New Convention Center Hotel Site" means square 370, bounded by 9th Street, N.W., 10th Street, N.W., M Street, N.W., and Massachusetts Avenue, N.W., Washington, D.C., and lots 801 through 805, 40, 838, 839, 62, 65 through 67, 842, 848, 859, and 878, and square 369, bounded by M Street, N.W., 9<sup>th</sup> Street, N.W., L Street, N.W., and 10<sup>th</sup> Street, N.W., Washington, D.C., and public alleys to be closed.**

**"(2) "New Convention Center" means the comprehensive international trade and exhibition center constructed within the area bounded by 7th Street, N.W., N Street, N.W., 9th Street, N.W., and Mount Vernon Square, N.W., Washington, D.C.**

**"(3) "New Convention Center Hotel" means a hotel to be constructed on the New Convention Hotel Site.**

**"Sec. 802. Findings:**

**"The Council finds that:**

**"(1) The New Convention Center needs a New Convention Center Hotel adjacent to or in close proximity to the New Convention Center.**

**"(2) The New Convention Center also needs to expand its meeting space and ballroom space on a site adjacent to or in close proximity to the New Convention Center.**

**"(3) The construction and development of the New Convention Center Hotel and the expansion of the New Convention Center would enable the Center to be more competitive in the convention market, attract increased business, provide for additional retail use, and enhance the financial viability of the Center. Expansion of the New Convention Center by the addition of meeting and ballroom space will also provide opportunity for private development within that space through the use of developable air space for residential uses.**

**"(4) The assemblage of properties within the New Convention Center Hotel Site is necessary to allow for the development of a New Convention Center Hotel and for the expansion of the New Convention Center.**

**"(5) The assemblage of properties in the New Convention Center Hotel site and the development of the New Convention Center Hotel is a municipal use that serves many public purposes and is in the interest of, and for the benefit of, the citizens of the District of Columbia.**

**"Sec. 803. Eminent domain.**

**"(a) The Mayor may exercise eminent domain in accordance with the procedures set forth in subchapter II of Chapter 13 of Title 16 of the District of Columbia Official Code to acquire properties in the New Convention Center Hotel Site to construct and develop the New Convention Center Hotel and for the purpose of expanding the New Convention Center by the addition of meeting and ballroom space for:**

**"(1) Private retail development within the New Convention Center Hotel Site;**  
**and**

“(2) Private development of air space for residential condominiums above the additional meeting and ballroom space within the New Convention Center Site.

“(b) The New Convention Center Hotel shall be constructed for the purpose of enhancing and expanding the capacity of the New Convention Center. The New Convention Center Hotel shall be located adjacent to or in close proximity to the New Convention Center and shall have a minimum of 1,200 rooms and suites, together with ancillary facilities customarily found in similar convention center hotels.”

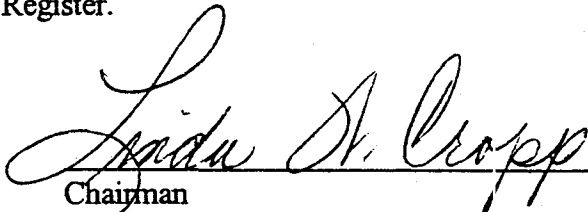
TITLE III. FISCAL IMPACT STATEMENT; EFFECTIVE DATE.

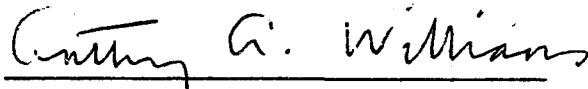
Sec. 301. Fiscal impact statement.

The Council adopts the fiscal impact statements in the committee reports of the Committee on Finance & Revenue and the Committee on Economic Development as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 302. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

  
\_\_\_\_\_  
Chairman  
Council of the District of Columbia

  
\_\_\_\_\_  
Mayor  
District of Columbia  
APPROVED  
June 27, 2006



**COUNCIL OF THE DISTRICT OF COLUMBIA**  
**WASHINGTON, D.C. 20004**

Docket No. **B16-630**

ITEM ON CONSENT CALENDAR

ACTION & DATE

**ADOPTED FIRST READING, 05-02-06**

VOICE VOTE

RECORDED VOTE ON REQUEST

**APPROVED**

ABSENT

**ALL PRESENT**

ROLL CALL VOTE - Result

| Councilmember | Aye | Nay | NV | AB | Councilmember | Aye | Nay | NV | AB | Councilmember | Aye | Nay | NV | AB |
|---------------|-----|-----|----|----|---------------|-----|-----|----|----|---------------|-----|-----|----|----|
| Chmn Cropp    | X   |     |    |    | Evans         | X   |     |    |    | Orange        | X   |     |    |    |
| Ambrose       | X   |     |    |    | Fenty         | X   |     |    |    | Patterson     | X   |     |    |    |
| Barry         | X   |     |    |    | Graham        | X   |     |    |    | Schwartz      | X   |     |    |    |
| Brown         | X   |     |    |    | Gray          | X   |     |    |    |               |     |     |    |    |
| Catania       | X   |     |    |    | Mendelson     | X   |     |    |    |               |     |     |    |    |

X - Indicate Vote

AB - Absent

NV - Present, Not Voting

CERTIFICATION RECORD

*[Signature]*  
Secretary to the Council

6/13/06  
Date

ITEM ON CONSENT CALENDAR

ACTION & DATE

**ADOPTED FINAL READNG, 06-06-06**

VOICE VOTE

RECORDED VOTE ON REQUEST

**APPROVED**

ABSENT

**ALL PRESENT**

ROLL CALL VOTE - Result

| Councilmember | Aye | Nay | NV | AB | Councilmember | Aye | Nay | NV | AB | Councilmember | Aye | Nay | NV | AB |
|---------------|-----|-----|----|----|---------------|-----|-----|----|----|---------------|-----|-----|----|----|
| Chmn Cropp    | X   |     |    |    | Evans         | X   |     |    |    | Orange        | X   |     |    |    |
| Ambrose       | X   |     |    |    | Fenty         | X   |     |    |    | Patterson     | X   |     |    |    |
| Barry         | X   |     |    |    | Graham        | X   |     |    |    | Schwartz      | X   |     |    |    |
| Brown         | X   |     |    |    | Gray          | X   |     |    |    |               |     |     |    |    |
| Catania       | X   |     |    |    | Mendelson     | X   |     |    |    |               |     |     |    |    |

X - Indicate Vote

AB - Absent

NV - Present, Not Voting

CERTIFICATION RECORD

*[Signature]*  
Secretary to the Council

6/13/06  
Date

ITEM ON CONSENT CALENDAR

ACTION & DATE

VOICE VOTE

RECORDED VOTE ON REQUEST

ABSENT

ROLL CALL VOTE - Result

| Councilmember | Aye | Nay | NV | AB | Councilmember | Aye | Nay | NV | AB | Councilmember | Aye | Nay | NV | AB |
|---------------|-----|-----|----|----|---------------|-----|-----|----|----|---------------|-----|-----|----|----|
| Chmn Cropp    |     |     |    |    | Evans         |     |     |    |    | Orange        |     |     |    |    |
| Ambrose       |     |     |    |    | Fenty         |     |     |    |    | Patterson     |     |     |    |    |
| Barry         |     |     |    |    | Graham        |     |     |    |    | Schwartz      |     |     |    |    |
| Brown         |     |     |    |    | Gray          |     |     |    |    |               |     |     |    |    |
| Catania       |     |     |    |    | Mendelson     |     |     |    |    |               |     |     |    |    |

X - Indicate Vote

AB - Absent

NV - Present, Not Voting

CERTIFICATION RECORD

Secretary to the Council

Date

AN ACT  
D.C. ACT 17-310

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA  
FEBRUARY 25, 2008

Codification  
District of  
Columbia  
Official Code

2001 Edition

2008 Summer  
Supp.

West Group  
Publisher

To amend the New Convention Center Hotel Omnibus Financing and Development Act of 2006 by modifying certain terms and conditions to facilitate the development of a New Convention Center Hotel.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "New Convention Center Hotel Omnibus Financing and Development Amendment Act of 2008".

Sec. 2. The New Convention Center Hotel Omnibus Financing and Development Act of 2006, effective September 19, 2006 (D.C. Law 16-163; D.C. Official Code § 10-1221.01 *et seq.*), is amended as follows:

(a) Section 101 (D.C. Official Code § 10-1221.01) is amended as follows:

Amend  
§ 10-1221.01

(1) Paragraph (16) is amended to read as follows:

"(16) "New Convention Center Hotel Site" means the real property located in Lots 18, 21, 22, 24, 801 through 806, 830 through 839, 843, and 845, Square 370, bounded by 9th Street, N.W., 10th Street, N.W., L Street, N.W., and Massachusetts Avenue, N.W.".

(2) Paragraph (18) is amended to read as follows:

"(18) "Project" means the financing, refinancing, or reimbursing of costs incurred for the acquisition, construction, installing, and equipping of a hotel having approximately 1,100 rooms and suites, meeting and ballroom space, and other ancillary facilities customarily found in convention center hotels."

(b) Section 102(1) (D.C. Official Code § 10-1221.02(1)) is amended as follows:

Amend  
§ 10-1221.02

(1) Strike the phrase "and the expansion of the Washington Convention Center".

(2) Strike the phrase "provide for additional retail use,".

(c) Section 103(c) (D.C. Official Code § 10-1221.03(c)) is amended to read as follows:

Amend  
§ 10-1221.03

"(c) If, at the end of any fiscal year of the District, the balance of cash and investments in the New Convention Center Hotel Fund exceeds the amounts required under subsection (b) of this section, including the amount of debt service and reserves on the bonds, the excess shall be transferred to the General Fund of the District of Columbia, unless the District elects to use the excess to redeem the bonds prior to maturity, either in whole or in part."

(d) Section 104(a) (D.C. Official Code § 10-1221.04(a)) is amended to read as follows:

Amend  
§ 10-1221.04

“(a) There is created a TIF area designated as the New Convention Center Hotel TIF Area. The New Convention Center Hotel TIF Area is defined as the real property located in Lots 18, 21, 22, 24, 801 through 806, 830 through 839, 843, and 845, Square 370, bounded by 9th Street, N.W., 10th Street, N.W., L Street, N.W., and Massachusetts Avenue, N.W. As provided under section 103, the Available Tax Increment from the New Convention Center Hotel TIF Area shall be deposited in the New Convention Center Hotel Fund and may be used as provided herein, including as security for the repayment of the bonds.”

(e) Section 109 (D.C. Official Code § 10-1221.09) is amended by adding a new subsection (d) to read as follows:

Amend  
§ 10-1221.09

“(d) The District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Official Code § 2-301.01 *et seq.*), and the Financial Institutions Deposit and Investment Amendment Act of 1998, effective March 18, 1998 (D.C. Law 12-56; D.C. Official Code § 47-351.01 *et seq.*), shall not apply to the Financing Documents, Closing Documents, and any other contract the Mayor may from time to time enter into in connection with the Project.”

Sec. 3. The Washington Convention Center Authority Act of 1994, effective September 28, 1994 (D.C. Law 10-188; D.C. Official Code § 10-1201.01 *et seq.*), is amended as follows:

(a) Section 201(7) (D.C. Official Code § 10-1202.01(7)) is amended to read as follows:

Amend  
§ 10-1202.01

“(7) “New convention center hotel” means a hotel to be constructed on the real property located in Lots 18, 21, 22, 24, 801 through 806, 830 through 839, 843, and 845, Square 370, bounded by 9th Street, N.W., 10th Street, N.W., L Street, N.W., and Massachusetts Avenue, N.W.”

(b) Section 204(a-1)(1)(B) (D.C. Official Code § 10-1202.04(a-1)(1)(B)) is amended by striking the phrase “and the expansion of the new convention center”.

Amend  
§ 10-1202.04

(c) Section 702 (D.C. Official Code § 10-1202.22) is amended as follows:

Amend  
§ 10-1202.22

(1) The lead-in text is amended to read as follows:

“Notwithstanding any other provision of law, the Mayor may grant a lease to Marriott International, Inc., or its designee, of the real property described as Lots 18, 21, 801 through 806, 830 through 839, 843, and 845 in Square 370, including all public alleys to be closed within these lots, on the following terms and conditions:”

(2) Paragraph (1) is amended to read as follows:

“(1) The lease term shall be 99 years, with lease payments beginning in the 4th year of operations; provided, that the commencement of the lease payments may be extended as mutually agreed by the parties.”

(3) Paragraph (2) is amended to read as follows:

“(2) Annual lease payments shall be in an amount to be negotiated by the parties; provided, that the present value of the lease payments during the lease term discounted at 6% shall equal at least \$70.2 million.”

(4) Paragraph (3) is repealed.

(5) Paragraph (5) is amended to read as follows:

“(5) A right of first refusal and an option to acquire the District’s fee interest in the real property during the lease term.”.

(d) Section 703 (D.C. Official Code § 10-1202.23) is amended to read as follows:

Amend  
§ 10-1202.23

“Sec. 703. Lease authority for the Authority.

“Notwithstanding any other provision of law, the Authority may lease to Marriott International, Inc., or its designee, the real property described as Lots 22 and 24, Square 370, on the following terms and conditions:

“(1) The lease term shall be 99 years, with lease payments beginning on the earlier of:

“(A) The commencement of the 4th year of operation of the New Convention Center Hotel; or

“(B) October 1, 2014; provided, that this date may be extended as mutually agreed by the parties.

“(2) Annual lease payments shall be in an amount to be negotiated by the parties; provided, that the present value of the lease payments during the lease term discounted at 6% shall equal at least \$31.5 million.

“(3) A right of first refusal and an option to acquire the Authority’s fee interest in the real property during the lease term.

“(4) The Authority may convey to lessee its fee simple interest to the improvements located on the lots for lessee to own during the lease term.”.

(e) A new section 704 is added to read as follows:

“Sec. 704. Authority for vault space permit.

“Notwithstanding any other provision of law, the Mayor is authorized to issue a permit for vault space adjacent to the real property subject to the lease referenced in sections 702 and 703 in accordance with the District of Columbia Public Space Rental Act, approved October 17, 1968 (82 Stat. 1156; D.C. Official Code § 10-1101.01 *et seq.*), coterminous with such lease and at no additional rent or fee.”.

(f) Section 801 (D.C. Official Code § 10-1202.31) is amended as follows:

(1) Paragraph (1) is amended to read as follows:

Amend  
§ 10-1202.31

“(1) “New Convention Center Hotel Site” means the real property located in Lots 18, 21, 22, 24, 801 through 806, 830 through 839, 843, and 845, Square 370, bounded by 9<sup>th</sup> Street, N.W., 10<sup>th</sup> Street, N.W., L Street, N.W., and Massachusetts Avenue, N.W., Washington, D.C., and public alleys to be closed.”.

(2) Paragraph (3) is amended by striking the phrase “New Convention Hotel Site” and inserting the phrase “New Convention Center Hotel Site” in its place.

(g) Section 802 (D.C. Official Code § 10-1202.32) is amended as follows:

Amend  
§ 10-1202.32

(1) Paragraph (2) is repealed.

(2) Paragraph (3) is amended to read as follows:

“(3) The construction and development of the New Convention Center Hotel will enable the Center to be more competitive in the convention market, attract increased business, provide for additional retail use, and enhance the financial viability of the Center.”

(3) Paragraph (4) is amended by striking the phrase “and for the expansion of the New Convention Center”.

(h) Section 803 (D.C. Official Code § 10-1202.33) is amended to read as follows:

Amend  
§ 10-1202.33

“(a) The Mayor may exercise eminent domain in accordance with the procedures set forth in subchapter II of Chapter 13 of Title 16 of the District of Columbia Official Code to acquire properties in the New Convention Center Hotel Site to construct and develop the New Convention Center Hotel and such other real properties that the Mayor determines are necessary or convenient to construct a connection between the New Convention Center Hotel and the New Convention Center.

“(b) The New Convention Center Hotel shall be constructed for the purpose of enhancing the New Convention Center and, to the extent the Mayor determines feasible, shall be physically connected to the New Convention Center, above or below grade, to permit direct access between the New Convention Center Hotel and the New Convention Center. The New Convention Center Hotel shall be located adjacent to or in close proximity to the New Convention Center and shall have approximately 1,100 rooms and suites, together with meeting and ballroom space, and other ancillary facilities, including retail, customarily found in similar convention center hotels.”

Sec. 4. Section 47-4609 of the District of Columbia Official Code is amended as follows:

Amend  
§ 47-4609

(a) Subsection (a) is amended to read as follows:

“(a) For the purposes of this section, the term:

“(1) “New Convention Center Hotel TIF Area” means the real property located in Lots 18, 21, 22, 24, 801 through 806, 830 through 839, 843, and 845, Square 370, bounded by 9th Street, N.W., 10th Street, N.W., L Street, N.W., and Massachusetts Avenue, N.W.

“(2) “Project” means the financing, refinancing, or reimbursing of costs incurred for the acquisition, construction, installing, and equipping of a hotel having approximately 1,100 rooms and suites, meeting and ballroom space, and other ancillary facilities customarily found in convention center hotels.”

(b) Subsection (b) is amended to read as follows:

“(b) All transfers of real property in the New Convention Center Hotel TIF Area pursuant to the project and through the date that is 6 months after the effective date of the lease authorized under title VII of the Washington Convention Center Authority Act of 1994, effective September 28, 1994 (D.C. Law 10-188; D.C. Official Code § 10-1201.01 *et seq.*), and any transfer by the District of Lot 45 in Square 374 in connection with the project.”

Sec. 5. Off-set of fiscal year 2008 budgetary impact.

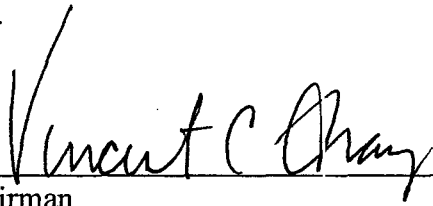
The Office of the Chief Financial Officer shall off-set the fiscal year 2008 budgetary impact of this bill through a reduction in budget authority under the heading "debt service" in the District of Columbia Appropriations Act of 2008.

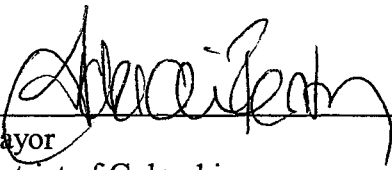
Sec. 6. Fiscal impact statement.

The Council adopts the fiscal impact statement of the Chief Financial Officer as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 7. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

  
\_\_\_\_\_  
Chairman  
Council of the District of Columbia

  
\_\_\_\_\_  
Mayor  
District of Columbia  
APPROVED  
February 25, 2008



COUNCIL OF THE DISTRICT OF COLUMBIA

WASHINGTON, D.C. 20004

Docket No. B17-459

[ ] ITEM ON CONSENT CALENDAR

[X] ACTION & DATE

ADOPTED FIRST READING, 01-08-08

[X] VOICE VOTE

RECORDED VOTE ON REQUEST

APPROVED

ABSENT

BARRY

[X] ROLL CALL VOTE - Result

| Councilmember | Aye | Nay | NV | AB | Councilmember | Aye | Nay | NV | AB | Councilmember | Aye | Nay | NV | AB |
|---------------|-----|-----|----|----|---------------|-----|-----|----|----|---------------|-----|-----|----|----|
| Chmn Gray     | X   |     |    |    | Catania       | X   |     |    |    | Schwartz      | X   |     |    |    |
| Alexander     | X   |     |    |    | Cheh          | X   |     |    |    | Thomas, Jr.   | X   |     |    |    |
| Barry         |     |     |    | X  | Evans         | X   |     |    |    | Wells         | X   |     |    |    |
| Bowser        | X   |     |    |    | Graham        | X   |     |    |    |               |     |     |    |    |
| Brown         | X   |     |    |    | Mendelson     | X   |     |    |    |               |     |     |    |    |

X - Indicate Vote

AB - Absent

NV - Present, Not Voting

CERTIFICATION RECORD

Cynthia Brock Smith  
Secretary to the Council

February 8, 2008  
Date

[ ] ITEM ON CONSENT CALENDAR

[X] ACTION & DATE

ADOPTED FINAL READING, 02-05-08

[X] VOICE VOTE

RECORDED VOTE ON REQUEST

APPROVED

ABSENT

ALL PRESENT

[ ] ROLL CALL VOTE - Result

| Councilmember | Aye | Nay | NV | AB | Councilmember | Aye | Nay | NV | AB | Councilmember | Aye | Nay | NV | AB |
|---------------|-----|-----|----|----|---------------|-----|-----|----|----|---------------|-----|-----|----|----|
| Chmn Gray     | X   |     |    |    | Catania       | X   |     |    |    | Schwartz      | X   |     |    |    |
| Alexander     | X   |     |    |    | Cheh          | X   |     |    |    | Thomas, Jr.   | X   |     |    |    |
| Barry         | X   |     |    |    | Evans         | X   |     |    |    | Wells         | X   |     |    |    |
| Bowser        | X   |     |    |    | Graham        |     |     | X  |    |               |     |     |    |    |
| Brown         | X   |     |    |    | Mendelson     | X   |     |    |    |               |     |     |    |    |

X - Indicate Vote

AB - Absent

NV - Present, Not Voting

CERTIFICATION RECORD

Cynthia Brock Smith  
Secretary to the Council

February 8, 2008  
Date

[ ] ITEM ON CONSENT CALENDAR

[ ] ACTION & DATE

[ ] VOICE VOTE

RECORDED VOTE ON REQUEST

ABSENT

[ ] ROLL CALL VOTE - Result

| Councilmember | Aye | Nay | NV | AB | Councilmember | Aye | Nay | NV | AB | Councilmember | Aye | Nay | NV | AB |
|---------------|-----|-----|----|----|---------------|-----|-----|----|----|---------------|-----|-----|----|----|
| Chmn Gray     |     |     |    |    | Catania       |     |     |    |    | Schwartz      |     |     |    |    |
| Alexander     |     |     |    |    | Cheh          |     |     |    |    | Thomas, Jr.   |     |     |    |    |
| Barry         |     |     |    |    | Evans         |     |     |    |    | Wells         |     |     |    |    |
| Bowser        |     |     |    |    | Graham        |     |     |    |    |               |     |     |    |    |
| Brown         |     |     |    |    | Mendelson     |     |     |    |    |               |     |     |    |    |

X - Indicate Vote

AB - Absent

NV - Present, Not Voting

CERTIFICATION RECORD

Secretary to the Council

Date