

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

*Codification
District of
Columbia
Official Code*

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To amend, on a temporary basis, Chapter 46 of Title 47 of the District of Columbia Official Code to provide for tax exemptions for the DC-USA development project.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “DC-USA Economic Development Temporary Act of 2006”.

Sec. 2. 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 “47-4607. DC-USA development project–tax exemptions.” at the end.

(b) A new section 47-4607 is added to read as follows:

“47-4607. DC-USA development project–tax exemptions.

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

“(1) “DC-USA Project” means the acquisition, development, construction, installation, and equipping of the multi-use retail and parking garage project to be located in square 2674, lots 719, 720, 812, 832, 863, 866, 869, 870, 871, and 872 and the portions of the public alley system in square 2674 that reverted to lots 719, 720, 863, 870, and 872 pursuant to the Closing of Public Alleys on Square 2674, S.O. 01-2426, Act of 2004, effective March 17, 2005 (D.C. Law 15-254; 51 DCR 11429), and the Plat of Alley Closing filed with the Surveyor of the District in Book 199, Page 88, including the successor record or assessment and taxation lots to be developed by Developer, consisting of:

“(A) Approximately 487,000 square feet of retail space, including approximately 180,000 square feet of retail space to be owned and operated as a department store by Target Corporation;

“(B) An underground parking garage for approximately 1,000 automobiles; and

“(C) Other ancillary improvements.

“(2) “Developer” means DC USA Operating Co. LLC.

“(3) “Development Sponsor” means the National Capital Revitalization

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Corporation, any subsidiary thereof, or assignee thereof.

“(4) “Parking Garage Unit” means the underground parking garage for approximately 1,000 automobiles which will be one of 3 commercial condominium units comprising the DC-USA Project.

“(b) The DC-USA Project shall be exempt from the tax imposed by §§ 42-1103 and 47-903.

“(c)(1) The sales and rental of tangible personal property to be incorporated in or consumed in the course of the development, construction, equipping, and furnishing of the DC-USA Project, whether or not the sale, material, rental, or nature of the property is incorporated as a permanent part of the DC-USA Project, shall be exempt from the tax imposed by § 47-2002.

“(2) The sales tax exemption granted by paragraph (1) of this subsection shall apply upon the conveyance of the real property to the Developer by the Development Sponsor.

“(3) The sales tax exemption granted by paragraph (1) of this subsection shall terminate upon the issuance of a Certificate of Occupancy for the DC-USA Project.

“(d)(1) The DC-USA Project shall be exempt from the tax imposed by Chapter 8.

“(2) The real property tax exemption granted by paragraph (1) of this subsection shall apply upon the conveyance of the real property to the Developer by the Development Sponsor.

“(3) The real property exemption granted by paragraph (1) of this subsection shall terminate upon the conveyance of the Parking Garage Unit from the Developer to the Development Sponsor.

“(e) The amount of taxes exempt pursuant to subsections (c) and (d) of this section shall not exceed, in the aggregate, \$1,029,000.

“(f) The amount of all taxes exempt pursuant to this section shall be in addition to any other tax relief or assistance from any other source applicable to the DC-USA Project, including exemptions and incentives provided in § 47-3802.”.

Sec. 3. Fiscal impact statement.

The Council adopts the attached fiscal impact statement 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. 4. Effective date.

(a) 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

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24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

(b) This act shall expire after 225 days of its having taken effect.

Chairman
Council of the District of Columbia

Mayor
District of Columbia