

AN ACT

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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*Codification  
District of  
Columbia  
Official Code*

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To amend the PILOT Authorization Increase and Arthur Capper/Carrollsborg Public Improvements Revenue Bonds Approval Act of 2006 to authorize issuance of a note by the District of Columbia pursuant to section 490 of the District of Columbia Home Rule Act; to amend the District of Columbia Housing Authority Act of 1999 to authorize the issuance, sale, and delivery by the District of Columbia Housing Authority of revenue bonds, notes, or other obligations issued pursuant to section 490 of the District of Columbia Home Rule Act, which is secured by a note issued by the District of Columbia secured by payments in lieu of taxes generated by or related to the Capper/Carrollsborg PILOT Area; to amend the District of Columbia Deed Recordation Tax Act to exempt the transfer of real property from recordation; and to amend Title 47 of the District of Columbia Official Code to exempt certain parcels of land and the improvements on the real property in the area known as the Capper/Carrollsborg PILOT Area from real property taxes and to provide for payments in lieu of taxes for the Capper/Carrollsborg PILOT Area.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Arthur Capper/Carrollsborg Public Improvements Revenue Bonds Approval Amendment Act of 2008”.

TITLE I. FINANCING

Sec. 101. The PILOT Authorization Increase and Arthur Capper/Carrollsborg Public Improvements Revenue Bonds Approval Act of 2006, effective March 8, 2007 (D.C. Law 16-244; 54 DCR 609), is amended as follows:

(a) Section 201 is amended as follows:

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

“(1) “Bonds” means the District of Columbia revenue bonds, notes, or other obligations (including refunding bonds, notes, and other obligations) authorized to be issued from time to time pursuant to this act.”.

(2) A new paragraph (1A) is added to read as follows:

“(1A) “Bond Counsel” means a firm or firms of attorneys designated as bond

counsel from time to time by the Mayor.”.

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

“(5) “Capper/Carrollsborg PILOT Area” means land in the southeast quadrant of the District located in Lots 0045, 0046, 0047, and 0048, Square 799; Lots 0020, 0025, 0026, 0027, 0028, 0816, 0818, 0819, and 0820, Square 800; Lots 0037, 0038, and 0039, Square 824; all lots in Squares 737, 739, 767, 768, 769, 797, 798, 825, S825, and 882; any portion of the land known as Reservation 17A which becomes part of Square 737 or 739; and land consisting of streets or alleys located within the Capper/Carrollsborg PILOT Area upon abandonment thereof and reversion to a square or lot included in the Capper/Carrollsborg PILOT Area.”.

(4) A new paragraph (5A) is added to read as follows:

“(5A) “Capper/Carrollsborg PILOT Fund” means the nonlapsing fund established under section 204.”.

(5) Paragraph (6) is amended by striking the phrase “the relocation of certain District facilities located within the Capper/Carrollsborg PILOT Area” and inserting the phrase “the relocation, construction, and redevelopment of certain public facilities located within or serving the Capper/Carrollsborg PILOT Area“ in its place.

(6) A new paragraph (8A) is added to read as follows:

“(8A) “DCHA bonds” means the revenue bonds, notes, or other obligations (including refunding bonds, notes, and other obligations) issued by or on behalf of DCHA secured by bonds authorized by this act.”.

(7) A new paragraph (8B) is added to read as follows:

“(8B) “Development costs” means all costs and expenses incurred by or on behalf of the District of Columbia or DCHA relating to the development, redevelopment, purchase, acquisition, protection, financing, construction, expansion, reconstruction, restoration, rehabilitation, renovation, repair, furnishing, equipping, and operating of the Capper/Carrollsborg Public Improvements, including:

“(A) The costs of demolishing or removing buildings or structures on, and site preparation of, land acquired or used for, or in connection with, the Capper/Carrollsborg Public Improvements;

“(B) Costs of relocation, construction, and redevelopment of the Capper/Carrollsborg Public Improvements;

“(C) Expenses incurred for utility lines, structures, or equipment charges;

“(D) Interest prior to, and during, construction and for a period as may be necessary for the operation of the Capper/Carrollsborg Public Improvements;

“(E) Provisions for reserves for principal and interest, capitalized interest, and extraordinary repairs and replacements;

“(F) Expenses incurred for architectural, engineering, energy efficiency technology, design and consulting, financial, and legal services;

“(G) Fees for letters of credit, bond insurance, debt service reserve

insurance, surety bonds, or similar credit or liquidity enhancement instruments;

“(H) Costs and expenses associated with the conduct and preparation of specification and feasibility studies, plans, surveys, historic structure reports, and estimates of expenses and revenues;

“(I) Expenses necessary or incident to issuing the bonds and DCHA bonds and determining the feasibility and the fiscal impact of financing the acquisition, construction, or redevelopment of the Capper/Carrollsborg Public Improvements; and

“(J) The provision of a proper allowance for contingencies and initial working capital.”.

(8) Paragraph (9) is amended by striking the phrase “D.C. Official Code § 47-340.21(14)” and inserting the phrase “D.C. Official Code § 47-340.01(14), including such costs incurred by or on behalf of DCHA with respect to the Capper/Carrollsborg Public Improvements and DCHA bonds” in its place.

(9) Paragraph (10) is amended as follows:

(A) Strike the phrase “the documents as the term “financing documents” is” and insert the phrase “closing documents, as the term is defined in D.C. Official Code § 47-340.01(6), and financing documents, as the term is” in its place.

(B) Strike the phrase “, refinancing, or reimbursement of the costs of the Capper/Carrollsborg Public Improvements” and insert the phrase “or refinancing of transactions to be effected through the issuance, sale, and delivery of the bonds” in its place.

(10) Paragraphs (12) through (14) are repealed.

(11) New paragraphs (15), (16), and (17) are added to read as follows:

“(15) “PILOT improvements” means the improvements located on the real property located at Lots 0074 and 0075, Square 737, and Lot 0021, Square 769, but excluding any portion of the land known as Reservation 17A which becomes part of Square 737, and land consisting of streets or alleys located within the Capper/Carrollsborg PILOT Area upon abandonment thereof and reversion to Square 737 or 769 or lot included in Square 737 or 769.

“(16) “PILOT improvement payments” means the excess of the payments in lieu of real property taxes payable pursuant to D.C. Official Code § 47-4611 and allocable to the PILOT improvements, over an amount equal to the special tax provided for in section 481 of the Home Rule Act.

“(17) “Pledged PILOT payments” means the sum of:

“(A) Payments in lieu of real property taxes (including any penalties and interest charges) from the Capper/Carrollsborg PILOT Area (other than the PILOT improvements) payable pursuant to D.C. Official Code § 47-4611; and

“(B) The PILOT improvement payments.”.

(b) Section 202 is amended as follows:

(1) The section heading is amended by striking the word “Findings” and inserting the phrase “Bond terms” in its place.

(2) Subsections (a) through (c) are amended to read as follows:

“(a) Pursuant to section 490 of the Home Rule Act, the Mayor is authorized to issue bonds in an aggregate amount not to exceed \$55 million as follows:

“(1) The bond proceeds shall be used as follows:

“(A) An amount not to exceed \$11 million may be used to pay the financing costs incurred by the District and by or on behalf of DCHA and to fund capitalized interest and required reserves; and

“(B) An amount not to exceed \$11 million may be used for development costs of the Capper/Carrollsborg Public Improvements.

“(2) The bonds shall be tax-exempt or taxable as the Mayor shall determine and shall be payable from and secured by pledged PILOT payments and funds (including investments thereof and income thereon) in the Capper/Carrollsborg PILOT Fund.

“(3) The Mayor may pay from the proceeds of the bonds financing costs and reimbursement of development costs incurred by the District or by or on behalf of DCHA.

“(b)(1) The Mayor may take any action (including prescribing terms or conditions not contained in this act) 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 determination of:

“(A) The final form, content, designation, provisions, and terms of the bonds;

“(B) The principal amount of the bonds to be issued and the denomination of the bonds;

“(C) The rate or rate of interest or the method of determining the rate or rates of interest on the bonds;

“(D) The dates or dates of issuance, sale, and delivery of, and the payment of interest on, the bonds, one or more series of the bonds and the maturity date or dates of the bonds;

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

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

“(G) The creation of any reserve fund, capitalized interest fund, sinking fund, or other fund with respect to the bonds;

“(H) The time and place of payment of the bonds;

“(I) The manner and method of issuing and selling (including sale by negotiation or competitive bid) of the bonds; and

“(J) The rights and remedies of the holders of the bonds upon default.

“(2) The bonds shall contain a legend, which shall provide that the bonds shall be special obligations of the District, shall be without recourse to the District, shall not be a pledge of and shall not involve the faith and credit or taxing power of the District (other than the pledged PILOT payments and funds (including, without limitation, investments thereof and

income thereon) in the Capper/Carrollsborg PILOT Fund), 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.

“(3) 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. The Mayor’s execution and delivery of the bonds shall constitute conclusive evidence of the Mayor’s approval, on behalf of the District, of final form and content of the same.

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

“(5) The bonds may be issued at any time or from time to time in one or more issues and in one or more series.

“(6) 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.

“(7) 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 and premium, if any, 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.

“(c)(1) The bonds shall be issued in the form of a PILOT note to DCHA or its designee, which bonds may secure DCHA bonds or otherwise be applied to finance, refinance or reimburse development costs of the Capper/Carrollsborg Public Improvements.

“(2) 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 one or more series of 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.

“(3) Notwithstanding any other provision of law, the aggregate principal amount of bonds that may be issued pursuant to section 6 of the Payments in Lieu of Taxes Act of 2004, effective April 5, 2005 (D.C. Law 15-293; D.C. Official Code § 1-308-05), shall be reduced by the original aggregate principal amount of bonds (other than refunding bonds, notes, or other obligations).”.

(3) Subsection (h) is amended to read as follows:

“(h) 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, pledged PILOT payments and receipts and revenues thereof realized by the District and deposited in the Capper/Carrollsborg PILOT Fund, and income realized from the temporary investment of those pledged PILOT payments, receipts and revenues.”.

(4) New subsections (i), (j), (k), and (l) are added to read as follows:

“(i)(1) The Mayor may prescribe the final form and content of all Financing Documents to which the District is a party that may be necessary or appropriate to issue, sell, and deliver the bonds.

“(2) The Mayor may execute, in the name of the District and on its behalf, the Financing Documents to which the District is a party by the Mayor’s manual or facsimile signature.

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

“(j) Copies of the specimen bonds and the final Financing Documents shall be filed in the Office of the Secretary of the District of Columbia.

“(k) 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.

“(l) 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 subchapter III-A of Chapter 3 of Title 47 of the District of Columbia Official Code shall not apply to any contract the Mayor may from time to time enter into, or the Mayor may determine to be necessary or appropriate, for purposes of this act.”.

(c) Section 203 is amended to read as follows:

“Sec. 203. Limited liability of District.

“(a)(1) 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 pledged PILOT payments), 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.

“(2) No person, including 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 as a result of the incorrectness of any representation in or omission from the Financing Documents.

“(b)(1) 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, obligation, or agreements of the District contained in this act, the bonds, or the Financing Documents.

“(2) The signature, countersignature, facsimile signature, or facsimile countersignature of any official appearing on the bonds or the Financing 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 or the Financing Documents.”.

(d) Section 204 is amended to read as follows:

“Sec. 204. Creation of the Capper/Carrollsbury PILOT Fund.

“(a) There is established separate and apart from the General Fund of the District of Columbia as a nonlapsing fund the Capper/ Carrollsbury PILOT Fund. Notwithstanding any other law, pledged PILOT payments shall be paid by the Treasurer of the District of Columbia, or such other person or office as is from time to time responsible for the collection of real property taxes, to the Chief Financial Officer for deposit in the Capper/Carrollsbury PILOT Fund. The Chief Financial Officer shall deposit into the Capper/ Carrollsbury PILOT Fund the pledged PILOT payments from the Capper/Carrollsbury PILOT Area. The Mayor may pledge and create a security interest in the funds in the Capper/Carrollsbury PILOT 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. Payment shall 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 Capper/Carrollsbury PILOT Fund may be used as follows:

“(A) To pay debt service on and secure repayment of the bonds, including principal thereof, premium, if any, and interest thereon; and

“(B) To finance, refinance, or reimburse the District or DCHA for financing costs of the bonds and any DCHA bonds.

“(2) Any portion of the pledged PILOT payments (including investment income thereon) in the Capper/Carrollsbury PILOT Fund in excess of the amounts needed to fund either principal, interest, reserves, redemption payments, premium, if any, and other costs associated with the bonds for the upcoming fiscal year, or the costs of the Capper/Carrollsbury Public Improvements, shall be transferred to the General Fund of the District of Columbia annually at the end of the fiscal year.

“(c) Except as provided in subsection (b) of this section, all funds deposited into the Capper/Carrollsbury PILOT Fund, and any interest earned thereon, shall not revert to the unrestricted fund balance of the General Fund of the District of Columbia at the end of a fiscal year, or at any other time, but shall be continually available for the uses and purposes set forth in subsection (a) of this section without regard to fiscal year limitation, subject to authorization by Congress.

(e) A new section 205 is added to read as follows:

“Sec. 205. Payments in Lieu of Taxes Act not to apply.

“This act shall apply notwithstanding the provisions of the Payments in Lieu of Taxes Act of 2004, effective April 5, 2005 (D.C. Law 15-293; D.C. Official Code § 1-308.01 *et seq.*)”.

Sec. 102. The District of Columbia Housing Authority Act of 1999, effective May 9, 2000 (D.C. Law 13-105; D.C. Official Code § 6-201 *et seq.*), is amended as follows:

(a) Section 2 (D.C. Official Code § 6-201) is amended as follows:

(1) A new paragraph (7A) is added to read as follows:

“(7A) “Capper/Carrollsborg Public Improvements” means the infrastructure, including streets, sidewalks, walkways, streetscapes, curbs, gutters, and gas, electric, and water utility lines, and other publicly-owned infrastructure, and the relocation, construction, and redevelopment of certain public facilities located within or serving the Capper/Carrollsborg PILOT Area designated pursuant to D.C. Official Code § 47-4611.”.

(2) A new paragraph (13A) is added to read as follows:

“(13A) "Development costs" means all costs and expenses incurred by or on behalf of the District of Columbia or the Authority relating to the development, redevelopment, purchase, acquisition, protection, financing, construction, expansion, reconstruction, restoration, rehabilitation, renovation, repair, furnishing, equipping, and operating of the Capper/Carrollsborg Public Improvements, including:

“(A) The costs of demolishing or removing buildings or structures on, and site preparation of, land acquired or used for, or in connection with, the Capper/Carrollsborg Public Improvements;

“(B) Costs of relocation, construction, and redevelopment of the Capper/Carrollsborg Public Improvements;

“(C) Expenses incurred for utility lines, structures, or equipment charges;

“(D) Interest prior to, and during, construction and for a period as may be necessary for the operation of the Capper/Carrollsborg Public Improvements;

“(E) Provisions for reserves for principal and interest, capitalized interest, and extraordinary repairs and replacements;

“(F) Expenses incurred for architectural, engineering, energy efficiency technology, design and consulting, financial, and legal services;

“(G) Fees for letters of credit, bond insurance, debt service reserve insurance, surety bonds, or similar credit or liquidity enhancement instruments;

“(H) Costs and expenses associated with the conduct and preparation of specification and feasibility studies, plans, surveys, historic structure reports, and estimates of expenses and revenues;

“(I) Expenses necessary or incident to the District of Columbia or the Authority issuing bonds, notes, or other obligations to finance the acquisition, construction, or

Amend  
§ 6-201



redevelopment of the Capper/Carrollsborg Public Improvements and determining the feasibility and the fiscal impact of financing the acquisition, construction, or redevelopment of the Capper/Carrollsborg Public Improvements; and

“(J) The provision of a proper allowance for contingencies and initial working capital.”.

(b) Section 10 (D.C. Official Code § 6-209) is amended by adding a new subsection (n) to read as follows:

Amend  
§ 6-209

“(n)(1) Notwithstanding the provisions of subsections (b), (c), (d), and (e) of this section, the Authority may, without submission to Council, adopt inducement resolutions or resolutions authorizing issuance of bonds, notes, or other obligations and, pursuant to this section, may issue bonds, notes, or other obligations to finance, refinance, or reimburse development costs of the Capper/Carrollsborg Public Improvements undertaken by the Authority. The issuance of bonds, notes, or other obligations by or on behalf of the Authority to finance, refinance, or reimburse development costs of the Capper/Carrollsborg Public Improvements is in furtherance of, and not inconsistent with, the purposes of this act.

“(2) The bonds, notes, or other obligations issued under this section may be secured, in whole or in part, by:

“(A) The note, and security provided therefor, issued by the District of Columbia pursuant to the PILOT Authorization Increase and Arthur Capper/Carrollsborg Public Improvements Revenue Bonds Approval Act of 2006, effective March 8, 2007 (D.C. Law 16-244; 54 DCR 609), and section 490 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 809; D.C. Official Code § 1-204.90); and

“(B) Available revenues, assets, or other property of the Authority, subject to pre-existing agreements with HUD.”.

## TITLE II. EXEMPTION FROM TAXATION

Sec. 201. Section 302(3) of the District of Columbia Deed Recordation Tax Act, approved March 2, 1962 (76 Stat. 11; D.C. Official Code § 42-1102(3)), is amended by striking the phrase “§ 47-1002(29)” inserting the phrase “§ 47-1002(29) or § 47-1002(30)” in its place.

Amend  
§ 42-1102

Sec. 202. Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-902(3) is amended by striking the phrase “§ 47-1002(29)” and inserting the phrase “§ 47-1002(29) or § 47-1002(30)” in its place.

Amend  
§ 47-902

(b) Section 47-1002 is amended as follows:

Amend  
§ 47-1002

(1) Paragraph (28) is amended by striking the word “and” at the end.

(2) Paragraph (29) is amended by striking the period at the end and inserting the phrase “; and” in its place.

(3) A new paragraph (30) is added to read as follows:

“(30)(A) Land (other than Lots 0074 and 0075, Square 737, and Lot 0021, Square 769, but excluding any portion of the land known as Reservation 17A which becomes

part of Square 737, and land consisting of streets or alleys located within the Capper/Carrollsborg PILOT Area established pursuant to § 47-4611 upon abandonment thereof and reversion to Square 737 or 769 or lot included in Square 737 or 769) in the Capper/Carrollsborg PILOT Area and not otherwise exempt under this section and all improvements that are located in the Capper/Carrollsborg PILOT Area and not otherwise exempt under this section, for the period specified in subparagraph (B) of this paragraph. Notwithstanding the foregoing, the improvements on Lots 0074 and 0075, Square 737, and Lot 0021, Square 769 (excluding any portion of the land known as Reservation 17A which becomes part of Square 737 and land consisting of streets or alleys located within the Capper/Carrollsborg PILOT Area established pursuant to § 47-4611 upon abandonment thereof and reversion of Square 737 or 769 or lot included in Square 737 or 769) shall not be exempt from the special tax provided in § 1-204.81.

“(B) This paragraph shall expire the day after the bonds, notes, or other obligations issued by the District of Columbia pursuant to the PILOT Authorization Increase and Arthur Capper/Carrollsborg Public Improvements Revenue Bonds Approval Act of 2006, effective March 8, 2007 (D.C. Law 16-244; 54 DCR 609), together with interest and premium, if any, thereon, and all costs and expenses in connection with any suit, action, or proceeding by or on behalf of the holders of the District’s bonds, notes or other obligations are fully met and discharged.”.

(c) Chapter 46 is amended as follows:

(1) The table of contents is amended by adding a new section 47-4611 to read as follows:

“47-4611. Payment in lieu of taxes, Capper/Carrollsborg PILOT Area.”.

(2) A new section 47-4611 is added to read as follows:

“§ 47-4611. Payments in lieu of taxes, Capper/Carrollsborg PILOT Area.

New  
§ 47-4611

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

“(1) “Bonds” means any bonds, notes, or other obligations issued by the District pursuant to the PILOT Authorization Increase and Arthur Capper/Carrollsborg Public Improvements Revenue Bonds Approval Act of 2006, effective March 8, 2007 (D.C. Law 16-244; 54 DCR 609), and D.C. Official Code § 1-204.90.

“(2) “Capper/Carrollsborg PILOT Area” means land in the southeast quadrant of the District located in Lots 0045, 0046, 0047, and 0048, Square 799; Lots 0020, 0025, 0026, 0027, 0028, 0816, 0818, 0819, and 0820, Square 800; Lots 0037, 0038, and 0039, Square 824; Squares 737, 739, 767, 768, 769, 797, 798, 825, S825 and 882; any portion of the land known as Reservation 17A which becomes part of Square 737 or 739; and land consisting of streets or alleys located within the Capper/Carrollsborg PILOT Area upon abandonment thereof and reversion to a square or lot included in the Capper/Carrollsborg PILOT Area.

“(3) “DCHA” means the District of Columbia Housing Authority.

“(4) “Improvement Parcels” means Lots 0074 and 0075, Square 737, and Lot 0021, Square 769, but excluding any portion of the land known as Reservation 17A which

becomes part of Square 737, and land consisting of streets or alleys located within the Capper/Carrollsborg PILOT Area upon abandonment thereof and reversion to Square 737 or 769 or lot included in Square 737 or 769.

“(5) “Owner” means those persons who may, from time to time, own all or a part of the Capper/Carrollsborg PILOT Area.

“(7) “Payment in lieu of taxes” or “PILOT” means payments made in lieu of real property taxes pursuant to this section.

“(8) “PILOT period” means the period commencing April 1, 2007, and ending on the earlier of March 31, 2037, or the day after the principal of bonds, together with interest and premium, if any, 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.

“(b) During the PILOT period, the real property in the Capper/Carrollsborg PILOT Area (other than the Improvement Parcels) shall be exempt from real property taxation. The improvements on the real property within the Improvement Parcels shall be exempt from real property taxation, but shall not be exempt from special tax provided for in § 1-204.81. The land within the Improvement Parcels shall not be exempt from real property taxation pursuant to this section. Real property and improvements within the Capper/Carrollsborg PILOT Area which in the absence of this section would be subject to business improvement district assessments and other special assessments shall not be exempt from such assessments pursuant to this section or § 47-1002(30). Each owner of a parcel in the Capper/Carrollsborg PILOT Area shall make a PILOT in an amount equal to the real estate taxes, if any, that the owner would be obligated to pay on such parcel in the Capper/Carrollsborg PILOT Area in the absence of this section or in the case of the Improvement Parcels on the improvements on such parcel in the absence of this section. The PILOT shall be made in the same manner and at such times as annual real property taxes under Chapter 8 of this title.

“(c) The PILOT shall be subject to the same penalty and interest provisions as unpaid real property taxes under Chapter 8 of this title.

“(d) All PILOT shall be made to the District or its designee.

“(e) The PILOT shall be paid on such dates that the annual real property taxes would have been due and payable on such parcel. An owner shall have at least 30 days from the date of issuance of a bill to pay any PILOT installment. The owner shall deliver such PILOT to the address identified for delivery of such payment on the applicable bill.

“(f) A lien for unpaid PILOT, including penalty and interest, shall attach to the applicable lot within the Capper/Carrollsborg PILOT Area in the same manner and with the same priority as a lien for delinquent real property tax under Chapter 13A of this title. An unpaid PILOT may be collected in accordance with Chapter 13A of this title.

“(g) The owner of a lot within the Capper/Carrollsborg PILOT Area shall have the right to challenge any assessment or reassessment of such lot in accordance with the provisions of Chapter 8 of this title and the applicable PILOT shall reflect the result of such challenge.”.

**TITLE III. FISCAL IMPACT STATEMENT**

**Sec. 301. Fiscal impact statement.**

The Council adopts the fiscal impact statement of the Chief Financial Officer, dated January 8, 2008, 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)).

**TITLE IV. EFFECTIVE DATE**

**Sec. 401. 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.

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Chairman  
Council of the District of Columbia

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Mayor  
District of Columbia