

AN ACT

*Codification  
District of  
Columbia  
Official Code*

2001 Edition

2010 Summer  
Supp.

West Group  
Publisher

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend Chapter 46 of Title 47 of the District of Columbia Official Code to provide for tax exemptions for the development of the OTO Hotel at Constitution Square Project located on Lot 817 and Air Rights Lots 7004, 7012, 7014, 7017, 7020, and 7021, Square 711, in Ward 6.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “OTO Hotel at Constitution Square Economic Development Act of 2010”.

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 a new section designation to read as follows:

“47-4631. OTO Hotel at Constitution Square Project-tax exemptions.”

(b) A new section 47-4631 is added to read as follows:

“§ 47-4631. OTO Hotel at Constitution Square Project-tax exemptions.

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

“(1) “Developer” means Palmetto Hospitality of Washington, DC, LLC, and its successors, affiliates, and assigns, either collectively or individually.

“(2) “OTO Hotel at Constitution Square Project” means the acquisition, development, construction, installation, and equipping, including the financing, refinancing, or reimbursing of costs incurred, of the OTO Hotel at Constitution Square, consisting of:

“(A) 204 hotel units totaling approximately 128,500 square feet of floor area; and

“(B) A below-grade parking garage.

“(3) “OTO Hotel at Constitution Square Property” means the real property, including any improvements constructed thereon, located on Lot 817 and Air Rights Lots 7004, 7012, 7014, 7017, 7020, and 7021, Square 711, as recorded on Pages T, U, and V, Book 3837, in the Office of the Surveyor for the District of Columbia (or as the land for such lot may be subdivided into a record lot or lots or assessment and taxation lots, condominium lots, air rights

New  
§ 47-4631

lots, or any combination in the future), either collectively or individually.

“(b) The OTO Hotel at Constitution Square Property shall be exempt from:

“(1) Real property taxation under Chapter 8 of this title for 10 consecutive years; and

“(2) The sales and rental taxes of tangible personal property to be incorporated in, or consumed as part of, the OTO Hotel at Constitution Square Project, pursuant to § 47-2002, whether or not the tangible personal property is incorporated as a permanent part of the OTO Hotel at Constitution Square Project or OTO Hotel at Constitution Square Property.

“(c) The tax exemptions pursuant to subsection (b) of this section shall be in addition to, and not in lieu of, any other tax relief or assistance from any other source applicable to the OTO Hotel at Constitution Square Project, the OTO Hotel at Constitution Square Property, or the developer.

“(d) This section shall not:

“(1) Prevent or restrict the developer from utilizing any other tax, development, or other economic incentives available to the OTO Hotel at Constitution Square Project, the OTO Hotel at Constitution Square Property, and the developer; or

“(2) Prevent the owner of the OTO Hotel at Constitution Square Property from appealing or contesting its real estate tax assessment.

“(e) The total tax abatements under this section shall not exceed \$8.1 million.”.

### Sec. 3. Applicability.

(a) The real property tax abatement of new D.C. Official Code § 47-4631(b)(1) shall apply as of the date that the real property tax abatement under D.C. Official Code § 47-4612(b)(1) and (2) has reached the aggregate limitation imposed by D.C. Official Code § 47-4612(b)(3).

(b) This act shall apply upon the inclusion of its fiscal effect in an approved budget and financial plan.

### Sec. 4. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report 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. 5. Effective date.

This act shall take effect following approval of 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.

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Chairman  
Council of the District of Columbia

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Mayor  
District of Columbia