

AN ACT

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Columbia  
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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the National Capital Revitalization Corporation Act of 1998 to authorize the exchange of assets by and among the District government, Anacostia Waterfront Corporation, the National Capital Revitalization Corporation and the RLA Revitalization Corporation and provide additional requirements for the transfer of properties.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, that this act may be cited as the “National Capital Revitalization Corporation Asset Transfer Clarification Amendment Act of 2006”.

TITLE I. AMENDMENTS TO THE NCRC ACT

Sec. 101. Title III of the National Capital Revitalization Corporation Act of 1998, effective December 7, 2004 (D.C. Law 15-219; D.C. Official Code § 2-1219.51 *et seq.*), is amended as follows:

(a) Section 30aa is amended as follows:

Amend  
§ 2-1219.51

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

“(a) Pursuant to subsections (e) and (f) of this section, the following real property of the National Capital Revitalization Corporation (“NCRC”), the RLA Revitalization Corporation (“RLARC”), and the District of Columbia (collectively referred to as the “Southwest Waterfront Properties”) shall be transferred by quitclaim deed or other similar instrument of conveyance, in “as is condition” to the Anacostia Waterfront Corporation (“AWC”) with respect to any and all real property interests other than fee simple title, and the Southwest Waterfront Development Corporation, a subsidiary of the Anacostia Waterfront Corporation, with respect to all fee simple title and the fee simple title shall be subject to all applicable Community Development Block Grant rules and regulations:

“SQUARE SUFFIX	LOT	ADDRESS	LANDAREA
	0390	Maine Av SW (Parking Strip)	21,158
	0390	Adj to 800 9th St SW	11
	0390	Adj to 800 9th St SW	1,991
	0391	Maine Av SW (Parking Strip)	15,360
	0391	Maine Av SW (Parking Strip)	12,620
	0391	Maine Av SW (Parking Strip)	15,360
S	0439	Adj to 701 Maine Av, SW	130
S	0439	Adj to 701 Maine Av, SW	214
S	0439	Adj to 701 Maine Av, SW	5,025
W	0471	Maine Av SW (Parking Strip)	32,896
	0472	Adj to 600 M St SW	6,880
	0473	0084 700 Water Street SW	19,817

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0473	0815	601 Water St SW	299
0473	0820	Pier 4 - 6th and Water St SW	6,351
0473	0822	1000 Water St SW	9,743
0473	0823	900 Water St SW	23,615
0473	0824	900 Water St SW	29,725
0473	0825	800 Water St SW	29,725
0473	0826	800 WATER ST SW	28,599
0473	0827	Adj to 700 Water St SW	6,666
0473	0828	Adj to 700 Water St SW	12,490
0473	0831	Adj to 700 Water St SW	14,532
0473	0834	600 Water St SW	91,824
0473	0837	Adj to 650 Water St SW	17,835
0473	0839	Between 650 & 700 Water St SW	135,527
0473	0840	Adj to 600 Water St SW	5,856
0473	0841	600 Water St SW	1,617
0473	0842	Pier 4 - 6th and Water St SW	15,011
0473	0843	SE Corner of 6th & Water St SW	11,594
0473	0844	SE Corner of 6th & Water St SW	36,101
0473	0845	Between 600 & 650 Water St SW	8,131
0473	0849	Maine Avenue, SW	4022
0473	0851	650 Water St SW	51,523
0503	0883	SE Corner of 6th & Water St SW	630
0473	0819		9,400".

(2) Subsection (b)(1) is amended to read as follows:

“(b)(1) The District and the AWC shall assume all liabilities, debts, mortgages and obligations of the NCRC and the RLARC arising out of the ownership of the Southwest Waterfront Properties (including, without limitation, those liabilities arising from, or relating to, *CASCO Marina Development, L.L.C. v. Redevelopment Land Agency Revitalization Corp.*, Civil Action Nos. 01-2128 & 02-4506 (D.C. Super. Ct., filed May 19, 2001) (“CASCO Litigation”)), and the NCRC and the RLARC shall no longer be liable or responsible for the discharge of those liabilities, debts, mortgages and obligations being assumed by the District and the AWC; provided, that neither the NCRC nor the RLARC shall settle the CASCO Litigation in a manner that imposes any restrictions on, or grants any rights in or to, any of the Southwest Waterfront Properties or imposes any payment or other material obligation on any transferee of the Southwest Waterfront Properties.”.

(3) Subsection (c) is repealed.

(4) Subsection (d) is amended to read as follows:

“(d) Pursuant to subsections (e) and (f) of this section, the Mayor shall transfer to the NCRC, or at the NCRC’s election, the RLARC, by quit claim deed, in “as is condition”, one large parcel and \$24.5 million in value of small parcels; the initial group of those parcels consisting of the following described real properties:

**“LARGE PARCEL FOR TRANSFER TO NCRC**

PROJECT AREA	SSL	LAND AREA(sf)	ADDRESS / LOCATION
McMillan Sand Filtration Site			2501 1ST ST NW

**SMALL PARCELS BASKET FOR TRANSFER TO NCRC/RLARC**

**ENROLLED ORIGINAL**

<b>PROJECT AREA</b>	<b>SSL</b>		<b>LAND AREA(sf)</b>	<b>ADDRESS / LOCATION</b>
Deanwood	5148	0008	2,500	4826 NANNIE HELEN BURROUGHS AV NE
Deanwood	5148	0009	2,500	4822 NANNIE HELEN BURROUGHS AV NE
Deanwood	5148	0010	2,500	4818 NANNIE HELEN BURROUGHS AV NE
Deanwood	5148	0011	2,500	4816 NANNIE HELEN BURROUGHS AV NE
Deanwood	5148	0012	2,500	4814 NANNIE HELEN BURROUGHS AV NE
Deanwood	5148	0013	2,500	4810 NANNIE HELEN BURROUGHS AV NE
Deanwood	5148	0014	2,500	4808 NANNIE HELEN BURROUGHS AV NE
Dupont Down Under				DUPONT CIRCLE NW
Georgia Ave - 3800 Block	3028	0051	1,847	3813 GEORGIA AV NW
Georgia Ave - 3800 Block	3028	0052	1,882	3815 GEORGIA AV NW
Georgia Ave - 3900 Block	2906	0848	6,954	3912 GEORGIA AV NW
H Street, NE - 9th St	0936	0808	5,690	0525 9TH ST NE
H Street, NE - Maryland Ave	1028	0830	5,485	1341 MARYLAND AV NE
HU Acquisition Parcels	2873	0796	63,413	SHERMAN AND FLORIDA AV
Mt. Vernon Triangle - 5th and I St	0516	0059	20,641	I ST NW
NE Boundary - 62nd St	5268	0009	3,500	315 62ND ST NE
NE Boundary - 62nd St	5268	0010	3,500	62ND ST NE
NE Boundary - 62nd St	5268	0011	3,500	62ND ST NE
NE Boundary - 62nd St	5268	0012	3,500	62ND ST NE
NE Boundary - 62nd St	5268	0013	3,500	323 62ND ST NE
NE Boundary - 62nd St	5268	0014	3,500	62ND ST NE
NE Boundary - 62nd St	5268	0015	3,500	62ND ST NE
NE Boundary - 62nd St	5268	0016	3,500	62ND ST NE
NE Boundary - Eastern Ave	5260	0017	6,626	0414 EASTERN AV NE
NE Boundary - Eastern Ave	5260	0018	37,752	0402 - 0412 EASTERN AV NE
NE Boundary - Eastern Ave	5260	0019	6,266	0400 EASTERN AV NE
NE Boundary - Eastern Ave	5260	0806	20,186	DIX ST NE
NoMa - H St	0623	0190	56,029	H ST NW
NoMa - H St	0623	0191	35,708	H ST NW
NoMa - H St	0623	0192	28,768	H ST NW
NoMa - H St	0623	0193	41,165	H ST NW
SW - Waterside	0542	0087	22,032	3RD ST SW
SW - Waterside	0499	0057	64,890	6TH ST SW
SW - Waterside	0542	0085	27,278	3RD ST SW
Truxton Circle	0615	0842	4,982	1520 - 1522 NORTH CAPITOL STREET NW".

(5) New subsections (e) and (f) are added to read as follows:

“(e) The District, the NCRC, the RLARC and the AWC shall enter into an assignment and assumption agreement (“Assignment and Assumption Agreement”) that will establish the respective obligations of each of the parties, and timelines for completion of the obligations, that are necessary to effectuate the transfers of properties listed in subsections (a) and (d) of this section as required by this title (and as originally contemplated by a Memorandum of

Understanding among the District of Columbia, NCRC and RLARC dated July 1, 2004). The parties shall execute the Assignment and Assumption Agreement no later than December 31, 2006, and the parties shall perform all obligations necessary to effectuate the transfers not later than January 19, 2007. The actual transfer of properties shall occur not later than the effective date of the National Capital Revitalization Corporation Asset Transfer Clarification Amendment Act of 2006, passed on 2<sup>nd</sup> reading on December 19, 2006 (Enrolled version of Bill 16-902). The Assignment and Assumption Agreement shall not require any actions to be performed nor shall it contain conditions to closing that are not strictly necessary to effectuate the transfers of properties mandated by this title. The Mayor shall transmit a notice to the Council, upon its full execution, that the Assignment and Assumption Agreement is fully executed.

“(f) The transfer of properties listed in this title shall occur no later than the effective date of the National Capital Revitalization Corporation Asset Transfer Clarification Amendment Act of 2006, passed on 2<sup>nd</sup> reading on December 19, 2006 (Enrolled version of Bill 16-902). All parties shall use best efforts to cause the transfers to occur simultaneously. If any document that is necessary for the transfers to occur has not been executed by any of the NCRC, the AWC, the RLARC, or any agency of the District, prior to the effective date of the National Capital Revitalization Corporation Asset Transfer Clarification Amendment Act of 2006, passed on 2<sup>nd</sup> reading on December 19, 2006 (Enrolled version of Bill 16-902), the Mayor shall become immediately authorized to execute the document on behalf of the governmental entity. Notwithstanding the foregoing, if, prior to the effective date of the National Capital Revitalization Corporation Asset Transfer Clarification Amendment Act of 2006, passed on 2<sup>nd</sup> reading on December 19, 2006 (Enrolled version of Bill 16-902), applicable laws prohibit one or more (but less than a majority) of parcels to be transferred under this title from being transferred to one of the designated transferees hereunder, then the transfer of the properties available for transfer will proceed and the remaining properties will be transferred as soon as legally permitted thereafter.”.

(b) Section 30bb is amended to read as follows:

Amend  
§ 2-1219.52

(1) The lead in language is amended to read as follows: “The transfer of the Southwest Waterfront Properties and those properties specifically listed in section 30aa(d) shall be effective after each of the following actions has occurred:”.

(2) Paragraphs (1), (2), (3) and (5) are repealed.

(3) Paragraph 4 is amended to read as follows:

“(4) A fully-executed Assignment and Assumption Agreement as described in section 30aa(e) has been submitted to the Council;”.

(4) Paragraph (6) is amended to read as follows:

“(6) Either a legal analysis provided by the Office of the Attorney General stating that the Assignment and Assumption Agreement is legally sufficient has been provided in writing to all parties to the Assignment and Assumption Agreement, or a written legal determination of the Office of the General Counsel to the Council of the District of Columbia has been filed in the Office of the Secretary to the Council stating that this act is legally sufficient.”.

(c) A new section 30cc is added to read as follows:

“Sec. 30cc. Within 10 business days following the transfer of the Southwest Waterfront Properties, the AWC shall deliver (or cause to be delivered) a copy of a written unconditional release of the National Capital Revitalization Corporation by the lender of the existing indebtedness secured by the Hogates property to the Council.”.

TITLE II. ADDITIONAL REQUIREMENTS FOR TRANSFER

Sec. 201. The Mayor is authorized, on behalf of the Anacostia Waterfront Corporation (“AWC”), the National Capital Revitalization Corporation (“NCRC”, the Department of Housing and Community Development (“DCRC”), and the RLA Revitalization Corporation (RLARC”), to execute all necessary and reasonable sub-recipient agreements, or amendments to existing sub-recipient agreements, by and between the necessary parties, that are required by federal regulations before each of the sub-recipients can be permitted to receive and manage those Community Development Block Grant proceeds and any property, real and personal, transferred pursuant to sections 30aa and 30bb of the National Capital Revitalization Corporation Act of 1998, effective December 7, 2004 (D.C. Law 15-219; D.C. Official Code §§ 2-1219.51 and 2-1219.52) (“NCRC Act”), that is governed by Community Development Block Grant regulations.

Sec. 202. In lieu of any on-going payments of property revenues to the NCRC (other than payments expressly required by this title), the AWC shall make a one-time cash payment to the NCRC of \$2 million dollars at the time the AWC and its subsidiary, Southwest Waterfront Development Corporation (“SWDC”), receive title to the respective interests in the Southwest Waterfront Properties pursuant to section 30aa(a) of the NCRC Act; and the AWC shall subsequently pay \$2.5 million to the NCRC over 1 year, which payment will be completed by March 1, 2008.

Sec. 203. The AWC is authorized to assume, simultaneously with the transfer of title from the NCRC to the AWC, the responsibility to pay or service any debt and related encumbrances secured by the ground leases transferred under subsection 30aa(a) of the NCRC Act, including a loan from the Bank of America, N.A., to the NCRC. The NCRC is authorized to pay debt service on the loan from the Bank of America until the earlier of the transfer of the Southwest Waterfront Properties or the effective date of the National Capital Revitalization Corporation Asset Transfer Clarification Amendment Act of 2006, passed on 2<sup>nd</sup> reading on December 19, 2006 (Enrolled version of Bill 16-902). The AWC is authorized to prepay, refinance or otherwise modify the loan in accordance with any agreements deemed necessary or appropriate by the AWC and subject to the authority and limitations set forth in D.C. Res. 16 - 715, effective July 11, 2006 (53 DCR 6034).

Sec. 204. (a) The RLARC and the DHCD shall execute an amendment to the Sub-Recipient Agreement between the RLARC and the DHCD dated October 12, 2006, to provide that the first Twenty-Five Million Dollars (\$25,000,000) of Program Income earned after the date of execution of such amendment shall be allocated to the RLARC. Notwithstanding the foregoing sentence, any Program Income (i) realized from the disposition of the Government Printing Office Property, or (ii) budgeted for the acquisition and/or development of the Skyland Property, shall not be included within the \$25 Million reallocation; provided, however, that approximately Six Million and Forty Thousand Dollars (\$6,040,000) which has been received by the RLA Revitalization Corporation relating to prepayment of the Portals Note shall be included within the \$25 Million reallocation. After execution of the amendment to the Sub-Recipient Agreement, any Program Income generated from any portion of the real properties transferred to the NCRC or the RLARC shall not be subject to the allocation with the DHCD under the Sub-Recipient Agreement or any successor agreement, nor shall the Program Income

constitute any part of or be subject to the \$25 Million reallocation set forth herein. Income derived from any assets acquired using any of the \$25 million allocation shall not be subject to an allocation with DHCD.

(b) In accordance with the terms of the effective Sub-Recipient Agreement, the DHCD is authorized to use the Program Income received by the RLARC, but not timely expended by the RLARC in compliance with the applicable Community Development Block Grant regulations, and subject to the obligation of the DHCD to reallocate that portion of the Program Income to the RLARC in accordance with the Sub-Recipient Agreement.

(c) For the purposes of this section, "Program Income" shall have the meaning assigned to it in 24 C.F.R. 570.500(a) (2005).

Sec. 205. (a) Beginning on the date of transfer of the Southwest Waterfront Properties to the AWC and until such time as the AWC or any other District instrumentality ("Successor in Interest") no longer holds title or any other economic interest in the Gangplank Marina, as defined in subsection (b) of this section, the AWC or its Successor in Interest shall pay, on a quarterly basis, to the NCRC, 60% of the net revenues generated by the Gangplank Marina from whatever source.

(b) Upon the disposition of the Gangplank Marina or its economic interest therein by the AWC, or its Successor in Interest, the NCRC shall be entitled to 60% of the net disposition proceeds from the Gangplank Marina, payable at the time of closing. For the purposes of this section, "Gangplank Marina" means the leasehold interest described in the Lease Agreement by and between the District of Columbia Redevelopment Land Agency and Curwitz, Inc., dated June 30, 1970, and recorded among the land records of the District of Columbia in Liber 13212, Folio 540, on May 5, 1971.

Sec. 206. Effective as of the initial date of transfer of the Southwest Waterfront Properties, the Mayor, on behalf of the District, shall irrevocably release, waive and relinquish the District's right to receive any funds owed to the District by the NCRC or the RLARC, as the case may be, under the Memorandum of Agreement by and among the District, the NCRC, and the District of Columbia Redevelopment Land Agency, dated June 25, 2001.

Sec. 207. Per Community Development Block Grant regulations and subject to sections 30aa and 30bb the NCRC Act, all presently designated Program Income associated with the presently designated Community Development Block Grant funded or urban renewal real properties to be transferred to RLARC and SWDC under the NCRC Act shall be remitted to DHCD as the Designated Public Agency for the administration of the Community Development Block Grant Program for the District of Columbia on behalf of Department of Housing and Urban Development. The DHCD shall disburse the Program Income designated under this title to the RLARC and the SWDC, and the DHCD shall ensure compliance of the use of these funds by the RLARC and the SWDC, as prescribed under 24 CFR Part 570 and the applicable sub-recipient agreements.

Sec. 208. For the purposes of this title:

(1) "Government Printing Office Property" means the real property located in the District of Columbia described as Lot 61 Square 625 and Lot 62 Square 625.

(2) "Portals Note" means the promissory note dated January 17, 2003, by and between PARCEL 47D LLC, a Delaware limited liability company and RLARC.

(3) "Skyland Property" means the real property commonly known as "Skyland"

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and all improvements thereon and fitting the definition of section 2(36A) of the National Capital Revitalization Corporation Act of 1998, effective September 11, 1998 (D.C. Law 12-144; D.C. Official Code § 2-1219.01(2)(36A)).

Sec. 209. Report on continued independence.

The Mayor shall submit, within 120 days of the enactment of this act, a report on the functions and structure of the NCRC and the AWC, including an analysis of whether each instrumentality should continue to have a legal existence separate from that of the District government, or whether they should in some other manner be restructured.

**TITLE III. FISCAL IMPACT STATEMENT AND EFFECTIVE DATE**

Sec. 301. 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. 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.

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Chairman  
Council of the District of Columbia

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Mayor  
District of Columbia