

  
Councilmember Kenyan R. McDuffie

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A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on an emergency basis, Chapter 46 of Title 47 of the District of Columbia Official Code to provide an abatement of real property taxes for property located at 1201-1215 Good Hope Road, S.E., and known for tax and assessment purposes as Lots 1017, 847, 867, 866, and 864 in Square 5769.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the “MLK Gateway Real Property Tax Abatement Emergency Amendment Act of 2019”.

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:

“47-4671. MLK Gateway real property tax abatement.”.

(b) A new section 47-4671 is added to read as follows:

“§ 47-4671. MLK Gateway real property tax abatement.

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

“(1) “CBE” means a certified business enterprise or joint venture certified pursuant to the CBE Act.

31                   “(2) “CBE Act” means the Small and Certified Enterprise Development  
32 and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official  
33 Code § 2-218.01 *et seq.*).

34                   “(3) “Developer” means MLK Gateway Partners LLC, a District of  
35 Columbia limited liability company, with a business address of 3401 8th Street, N.E.,  
36 comprised of the Menkiti Group, with a business address of 3401 8th Street N.E., or its  
37 successors, or one of its affiliates or assignees and Enlightened Inc., with a business  
38 address of 1101 Connecticut Avenue, N.W., Washington D.C. 20036, or its successors, or  
39 one of its affiliates or assignees, as approved by the Mayor.

40                   “(4) “First Source Agreement” means an agreement with the District  
41 governing certain obligations of the Developer pursuant to section 4 of the First Source  
42 Employment Agreement Act of 1984, effective June 29, 1984 (D.C. Law 5-93; D.C.  
43 Official Code § 2-219.03), and Mayor’s Order 83-265, dated November 9, 1983,  
44 regarding job creation and employment generated as a result of the construction on the  
45 Property.

46                   “(5) “Project” means a mixed-use commercial project, including  
47 renovating the historic storefronts, new office and retail space, and any ancillary uses  
48 allowed under applicable law.

49                   “(6) “Property” means the real property described as 1201-1215 Good  
50 Hope Road, S.E., known for tax and assessment purposes as Lots 1017, 847, 867, 866,  
51 and 864 in Square 5769, and any improvements on that real property.

52                   “(b)(1) Beginning with the tax year immediately following the tax year during  
53 which a certificate of occupancy (whether temporary or final) is issued authorizing

54 Enlightened Inc., or another locally owned and operated business with employees in the  
55 District of Columbia approved by the Mayor, any use of the Property, the tax imposed by  
56 Chapter 8 of this title on the Property shall be abated for 15 real property tax years;  
57 provided, that the total amount of the abatement shall not exceed \$3 million.

58                   “(2) The Project shall be exempt from recordation taxation imposed  
59 pursuant to Chapter 11 of Title 42.

60                   “(3) The Project shall be exempt from transfer taxes imposed pursuant  
61 to Chapter 9 of this title.

62                   “(4) Notwithstanding paragraph (1) of this subsection, in no case shall the  
63 abatement provided in paragraph (1) of this subsection begin before October 1, 2020.

64                   “(c) For the Property to receive the abatement described in this section, the:

65                   “(1) Developer shall maintain a lease agreement with Enlightened Inc., or  
66 another locally owned and operated business with employees in the District of Columbia  
67 approved by the Mayor, for approximately 20,000 square feet of office space within the  
68 Project.

69                   “(2) Project shall include 35% CBE participation;

70                   “(3) Project shall comply with a First Source Hiring Agreement; and

71                   “(4) Developer shall conduct 2 employment fairs in Ward 8 to  
72 encourage local participation in the redevelopment of the Property and make local  
73 residents aware of job opportunities in the redevelopment of the Property and in the  
74 businesses that will occupy the Property after completion of the redevelopment.

75           “(d)(1) The Mayor shall certify to the Office of Tax and Revenue the Property’s  
76 eligibility for the abatement provided pursuant to this section. The Mayor’s certification  
77 shall include:

78                           “(A) A description of the Property by street address, square, suffix,  
79 and lot, and the date the abatement begins and ends;

80                           “(B) The date a certificate of occupancy for Enlightened Inc., or  
81 another locally owned and operated business with employees in the District of Columbia  
82 as approved by the Mayor, authorizing any use of the Property was issued;

83                           “(C) A statement that the conditions specified in subsection (c) of  
84 this section have been satisfied; and

85                           “(D) Any other information that the Mayor considers necessary or  
86 appropriate.

87                           “(2) If at any time the Mayor determines that the Property has become  
88 ineligible for the abatement provided pursuant to this section, the Mayor shall notify the  
89 Office of Tax and Revenue and shall specify the date that the Property became ineligible.  
90 The entire Property shall be ineligible for the abatement on the first day of the tax year  
91 following the date when ineligibility occurred.

92                           “(e) The exemption provided by this section shall be in addition to, and not in lieu  
93 of, any other tax relief or assistance from any other source applicable to the MLK  
94 Gateway Disposition, as approved by the MLK Gateway Disposition Approval  
95 Resolution of 2017, effective December 5, 2017 (Res. 22-319; 65 DCR 33).”.

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98           Sec. 3. Applicability.

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

101           (b) The Chief Financial Officer shall certify the date of the inclusion of the fiscal  
102 effect in an approved budget and financial plan, and provide notice to the Budget  
103 Director of the Council of the certification.

104           (c)(1) The Budget Director shall cause the notice of the certification to be  
105 published in the District of Columbia Register.

106           (2) The date of publication of the notice of the certification shall not affect the  
107 applicability of this act.

108           Sec. 4. Fiscal impact statement.

109           The Council adopts the fiscal impact of the Budget Director as the fiscal impact  
110 statement required by section 4a of the General Legislative Procedures Act of 1975,  
111 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

112           Sec. 5. Effective date.

113           This act shall take effect following approval by the Mayor (or in the event of veto  
114 by the Mayor, action by the Council to override the veto), and shall remain in effect for  
115 no longer than 90 days, as provided for emergency acts of the Council of the District of  
116 Columbia in Section 412 (a) of the District of Columbia Home Rule Act, approved  
117 December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).