

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To, on an emergency basis, due to congressional review, approve the development and financing agreement for the redevelopment of the downtown arena; approve an agreement for the disposition by lease of certain real property owned by the District government for the redevelopment and operation of the downtown arena; approve a purchase and sale agreement for the downtown arena; authorize the granting of certain easements related to the downtown arena property; authorize airspace leases associated with the downtown arena; continue and provide for property tax abatements and deed transfer and recordation tax exemptions for the downtown arena; and authorize the issuance of rules to provide for additional signage on the downtown arena.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Downtown Arena Revitalization Congressional Review Emergency Act of 2025”.

Sec. 2. Approval of development and financing agreement, amended and restated lease, and purchase and sale agreement for the downtown arena.

(a) Notwithstanding the provisions of the Procurement Practices Reform Act of 2010, effective April 8, 2011 (D.C. Law 18-371; D.C. Official Code § 2-351.01 *et seq.*), An Act Authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat. 1211; D.C. Official Code § 10-801 *et seq.*), the Verizon Center Sales Tax Revenue Bond Approval Act of 2007, effective July 12, 2007 (D.C. Law 17-12; 54 DCR 5151), the Public-Private Partnership Act of 2014, effective March

36 11, 2015 (D.C. Law 20-228; D.C. Official Code § 2-271.01 *et seq.*), and any other law, and, as  
37 applicable, pursuant to section 451 of the District of Columbia Home Rule Act, approved  
38 December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.51), the Council approves and the  
39 Mayor may enter into and effectuate the provisions of the:

40 (1) Development and Financing Agreement between District of Columbia and DC  
41 Arena L.P., regarding the downtown arena (“Development and Financing Agreement”),  
42 submitted by the Mayor to the Council on October 18, 2024;

43 (2) Amended and Restated Lease by and between the District of Columbia and  
44 DC Arena L.P., regarding the downtown arena (“Amended and Restated Lease”), submitted by  
45 the Mayor to the Council on October 18, 2024; and

46 (3) Agreement for the Purchase and Sale of Real Property (Improvements Only)  
47 between District of Columbia and DC Arena L.P., regarding the downtown arena (“Purchase and  
48 Sale Agreement”), submitted by the Mayor to the Council on October 18, 2024.

49 (b) Notwithstanding any other provision of law, the Mayor may take such actions as are  
50 appropriate to implement the Development and Financing Agreement, Amended and Restated  
51 Lease, and Purchase and Sale Agreement.

52 (c) Notwithstanding the lead-in text of subsection (a) of this section and the dollar value  
53 of government assistance received pursuant to the Development and Financing Agreement, the  
54 following statutory provisions shall apply to the Development and Financing Agreement:

55 (1) Sections 2, 4(a), (b), (c), (e)(1), (1C), (2), (3), (4), and (5), and 4a of the First  
56 Source Employment Agreement Act of 1984 (“First Source Act”), effective June 29, 1984 (D.C.  
57 Law 5-93; D.C. Official Code §§ 2-219.01, 2-219.03(a), (b), (c), (e)(1), (1C), (2), (3), (4), and  
58 (5), and 2-219.03a); and

59 (2) Section 5 of the Amendments to An Act To Provide for Voluntary  
60 Apprenticeship in the District of Columbia Act of 1978, effective March 6, 1979 (D.C. Law 2-  
61 156; D.C. Official Code § 32-1431).

62 Sec. 3. Authority to grant easements over the downtown arena property.

63 Notwithstanding the provisions of An Act Authorizing the sale of certain real estate in the  
64 District of Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat.  
65 1211; D.C. Official Code § 10-801 *et seq.*), and any other law, the Mayor may grant easements  
66 over Lot 47 in Square 455 and/or Lot 884 in Square 454 to the owner of property located in  
67 Square 454 or 455, to the Washington Metropolitan Area Transit Authority, to the lessee of Lot  
68 47 in Square 455, or to such other persons as the Mayor determines appropriate to effectuate a  
69 purpose of the Development and Financing Agreement, Amended and Restated Lease, or  
70 Purchase and Sale Agreement.

71 Sec. 4. Airspace lease for the downtown arena; exemption from taxation.

72 (a) Notwithstanding the provisions of the District of Columbia Public Space Rental Act,  
73 approved October 17, 1968 (82 Stat. 1156; D.C. Official Code § 10-1101.01 *et seq.*), sections  
74 4(2) (but only to the extent shown on plans the Mayor has approved pursuant to the Development  
75 and Financing Agreement), (3), (4), (5), and (6), 5(1), (2), (3) (but only to the extent the Mayor  
76 has otherwise approved plans pursuant to the Development and Financing Agreement), (4), and  
77 (5) (but only with respect to the requirement to submit a scale model), 7 (but only with respect to  
78 zoning laws and regulations), and 10 of the District of Columbia Public Space Utilization Act,  
79 approved October 17, 1968 (82 Stat. 1166; D.C. Code §§ 10-1121.03(2) (but only to the extent  
80 shown on plans the Mayor has approved pursuant to the Development and Financing  
81 Agreement), (3), (4), (5), and (6), 10-1121.04(1), (2), (3) (but only to the extent the Mayor has

82 otherwise approved plans pursuant to the Development and Financing Agreement), (4) and (5)  
83 (but only with respect to the requirement to submit a scale model), 10-1121.06 (but only with  
84 respect to zoning laws and regulations), and 10-1121.09), and any other law, the Mayor may  
85 lease the airspace adjacent to Lot 47 in Square 455 and Lot 884 in Square 454, to DC Arena L.P.,  
86 or its designee, on such terms as the Mayor deems appropriate, at no other rent or fee, for so long  
87 as the lease for the real property approved by section 2(a) of the Downtown Sports Arena  
88 Revitalization Act of 2024, as may be amended from time to time, remains in effect; provided,  
89 that if construction within such airspace is not subject to the approval of the National Capital  
90 Planning Commission pursuant to section 5 of An Act providing for a comprehensive  
91 development of the park and playground system of the National Capital, approved July 19, 1952  
92 (66 Stat. 781; D.C. Official Code § 2-1004), then, notwithstanding the foregoing, section 5(2)  
93 and, in its entirety, section 7 of the District of Columbia Public Space Utilization Act, approved  
94 October 17, 1968 (82 Stat. 1166; D.C. Code §§ 10-1121.04(2) and 10-1121.06), shall apply to a  
95 lease entered into by the Mayor under this subsection.

96 (b) Section 8 of the District of Columbia Public Space Utilization Act, effective October  
97 17, 1968 (82 Stat. 1167; D.C. Official Code § 10-1121.07), is amended as follows:

98 (1) Paragraph (1) is amended by striking the phrase “; or” and inserting a  
99 semicolon in its place.

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

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

103 “(3) Leased pursuant to section 4(a) of the Downtown Arena Revitalization Act of  
104 2024.”.

105           Sec. 5. Continued exemption of the downtown arena from real property and possessory  
106 interest taxes; downtown arena deed transfer and recordation tax exemptions for transfers with  
107 the District government.

108           (a) Section 47-1002 of the District of Columbia Official Code is amended as follows:

109                   (1) Paragraph (32)(B) is amended by striking the phrase “; and” and inserting a  
110 semicolon in its place.

111                   (2) Paragraph (33)(C)(iii) is amended by striking the period at the end and  
112 inserting the phrase “; and” in its place.

113                   (3) New paragraphs (34) and (35) are added to read as follows:

114                   “(34) The real property (and any improvements thereon) described as Lot 47 in  
115 Square 455 so long as the Land Disposition Agreement—Ground Lease, by and among the  
116 District of Columbia Redevelopment Land Agency, the District of Columbia, and DC Arena,  
117 L.P., dated as of December 29, 1995, and recorded with the Recorder of Deeds on January 5,  
118 1996, as instrument number 9600001285, as may be amended from time to time, remains in  
119 effect; and

120                   “(35) The real property (and any improvements thereon) described as Lot 47 in  
121 Square 455 and Lot 884 in Square 454 (and any adjacent air space leased pursuant section 4(a) of  
122 the Downtown Sports Arena Revitalization Act of 2024), so long as the lease for such real  
123 property approved by section 2(a) of the Downtown Sports Arena Revitalization Act of 2024, as  
124 may be amended from time to time, remains in effect.”.

125           (b) Section 47-1005.01 of the District of Columbia Official Code is amended by adding a  
126 new subsection (c-2) to read as follows:

127           “(c-2) This section shall not apply to the real property (and any improvements thereon)  
128 described as Lot 47 in Square 455 so long as the Land Disposition Agreement—Ground Lease,  
129 by and among the District of Columbia Redevelopment Land Agency, the District of Columbia,  
130 and DC Arena, L.P., dated as of December 29, 1995, and recorded with the Recorder of Deeds  
131 on January 5, 1996, as instrument number 9600001285, as may be amended from time to time,  
132 nor shall it apply to the real property (and any improvements thereon) described as Lot 47 in  
133 Square 455 or Lot 884 in Square 454 (or to any adjacent air space leased pursuant section 4(a) of  
134 the Downtown Sports Arena Revitalization Act of 2024) so long as the lease approved by section  
135 2(a) of the Downtown Sports Arena Revitalization Act of 2024, as may be amended from time to  
136 time, remains in effect.”.

137           (c) Section 47-902 of the District of Columbia Official Code is amended by adding a new  
138 paragraph (29) to read as follows:

139           “(29) Transfers with respect to the real property (and any improvements thereon)  
140 described as Lot 47 in Square 455 and Lot 884 in Square 454 (and any adjacent air space leased  
141 pursuant section 4(a) of the Downtown Sports Arena Revitalization Act of 2024), to the extent  
142 such transfer is a transfer between the District and DC Arena L.P., or its designee, pursuant to  
143 the lease or purchase and sale agreement approved by sections 2(a) of the Downtown Sports  
144 Arena Revitalization Act of 2024, as may be amended from time to time, or a lease authorized by  
145 section 4(a) of the Downtown Sports Arena Revitalization Act of 2024.”.

146           (d) Section 302 of the District of Columbia Deed Recordation Tax Act, approved March  
147 2, 1962 (76 Stat. 11; D.C. Official Code 42-1102), is amended as follows:

148           (1) Paragraph (35) is amended by striking the phrase “; and” and inserting a  
149 semicolon in its place.

150 (2) Paragraph (36)(B) is amended by striking the period at the end and inserting  
151 the phrase “; and” in its place.

152 (3) A new paragraph (37) is added to read as follows:

153 “(37) Deed with respect to the real property (and any improvements thereon)  
154 described as Lot 47 in Square 455 or Lot 884 in Square 454 (and any adjacent air space leased  
155 pursuant section 4(a) of the Downtown Sports Arena Revitalization Act of 2024), to the extent  
156 such deed conveys an interest between the District and DC Arena L.P., or its designee, pursuant  
157 to the lease or purchase and sale agreement approved by section 2(a) of the Downtown Sports  
158 Arena Revitalization Act of 2024, as may be amended from time to time, or a lease authorized by  
159 section 4(a) of the Downtown Sports Arena Revitalization Act of 2024.”.

160 (e)(1) Section 3 of the Arena Tax Amendment Act of 1994, effective September 28, 1994  
161 (D.C. Law 10-189; 41 DCR 5357), as amended by section 30 of the Technical Amendments Act  
162 of 2006, effective March 2, 2007 (D.C. Law 16-191; 53 DCR 6794), and section 7021 of the  
163 Verizon Center Recordation Tax Clarification Amendment Act of 2008, effective August 16,  
164 2008 (D.C. Law 17-219; 55 DCR 7670), is repealed.

165 (2) This subsection shall apply as of the effective date of the Downtown Sports  
166 Arena Modernization and Downtown Revitalization Act of 2024.

167 Sec. 6. Authority to amend signage regulations.

168 Section 101.19.16 of Appendix N of Title 12A of the District of Columbia Municipal  
169 Regulations is amended by striking the phrase “, upon review and active approval by the  
170 Council” and inserting the phrase “. The amendments to the rules may include, but need not be  
171 limited to, provisions authorizing additional outdoor signs, visuals, digital displays, and static  
172 canvas displays placed on the Verizon Center. Rules proposed to be issued under this section

173 shall be submitted to Council for a 45-day period of review. If the Council does not approve or  
174 disapprove the proposed rules, by resolution, within the 45-day period, the rules shall be deemed  
175 approved.” in its place.

176           Sec. 7. Fiscal impact statement.

177           The Council adopts the fiscal impact statement in the committee report as the fiscal  
178 impact statement required by section 4a of the General Legislative Procedures Act of 1975,  
179 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

180           Sec. 8. Effective date.

181           This act shall take effect following approval by the Mayor (or in the event of veto by the  
182 Mayor, action by the Council to override the veto), and shall remain in effect for no longer than  
183 90 days, as provided for emergency acts of the Council of the District of Columbia in section  
184 412(a) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 788;  
185 D.C. Official Code § 1-204.12(a)).