

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Attorney General



February 24, 2012

BY EMAIL AND BY HAND

The Honorable Muriel Bowser
Council of the District of Columbia
1350 Pennsylvania Avenue, N.W., Suite 110
Washington, DC 20004

RE: Walter Reed Building 18

Dear Councilmember Bowser:

In your January 18, 2012 letter to me, you requested the views of this Office on the legality of the then-pending negotiations between the Deputy Mayor for Planning and Economic Development and Keenan Development Ventures ("Keenan") with respect to the Building 18 site located at the Walter Reed Army Medical Center ("Walter Reed") as well as legislation enacted in furtherance of those negotiations. Recent developments have rendered moot these questions as we are advised that the negotiations have been discontinued.

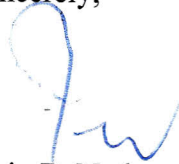
Since the time of your letter, we have been advised that the United States Army, the owner of this site at Walter Reed, has informed both the District and Keenan that it believes that Keenan no longer has a legal claim to the Building 18 site. Prior to this notification, we had been preparing a memo which would have demonstrated clearly that the earlier negotiations by the Deputy Mayor were perfectly lawful and proper.

The Enhanced Use Lease ("Lease") between the Secretary of the Army and Keenan for the Building 40 site at Walter Reed included a right of the parties to amend the Lease for the purpose of including the Building 18 site as part of the leased premises. This provision was conditioned on the parties agreeing to certain terms. Now that the Army has determined that it is no longer in a position to lease this site to Keenan -- because the Building 18 site has been declared excess property -- there is no further purpose in the District's pursuing negotiations with Keenan for the property. I am informed that the Deputy Mayor is still interested in the Building 18 site and is exploring other options to see if they are viable.

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Accordingly, I believe there is no longer any need to address the matters raised in your earlier inquiry. If you continue to have any questions, please let me know, and I will be pleased to respond to them. Best regards.

Sincerely,



Irvin B. Nathan
Attorney General
for the District of Columbia