

TERM SHEET
Disposition of 1336 8th Street, NW
(Square 399, Lot 68)

OFFICE OF THE
SECRETARY

2015 SEP 17 PM 1: 53

Date	September <u>3</u> , 2015
Seller	District of Columbia ("District"), acting by and through the Office of the Deputy Mayor for Planning and Economic Development ("DMPED").
Developer	1336 8th Street SPE LLC, and its successors or assigns as approved in accordance with the LDDA (defined below), (the "Developer"), a District of Columbia limited liability corporation whose members include Affiliates of Roadside Development LLC and Dantes Partners LLC.
The Property	The real property located at 1336 8th Street, NW, Washington, DC and known for tax and assessment purposes as Lot 68 in Square 399 (the "Property").
Land Disposition Agreement	All of the terms and conditions of the sale and purchase of the Property will be governed by the terms of a Land Disposition and Development Agreement (the "LDDA") to be negotiated and entered into by District and Developer.
Method of Disposition	The Property will be conveyed in fee by District to Developer pursuant to D.C. Official Code § 10-801(b)(8)(F).
Purchase Price	As consideration for the transfer of the Property, Developer shall pay to District One Million Dollars (\$1,000,000.00), subject to adjustment under Section 2.1.1(b) of the LDDA.
The Project	The Project will consist of: 1) approximately 73,000 square feet of residential units (approx. 76 units), including approximately 7,200 square feet of two-story townhouses lining 8th Street (approx. 5 units), 2) approximately 5,400 square feet of ground floor retail space, of which approximately 1,500 square feet will be allocated to the Archdiocese for use by Immaculate Conception Catholic Church as a parish hall, and 3) an underground parking garage with approximately 25 parking spaces on one level (collectively, the "Project").
Affordable Housing	In accordance with the Disposition of District Land for Affordable Housing Amendment Act of 2014 (D.C. Act 20-485), Developer will reserve 30% of the units as affordable dwelling units ("ADUs") in accordance with the terms of the Affordable Housing Covenant to be attached to the LDDA.
Conditions of Closing	In addition to the other District standard conditions of closing of sale pursuant to the LDDA, District's obligation to convey the Property is conditioned upon: <ul style="list-style-type: none"> • Developer having obtained financing and equity to fund 100% of the development costs for the Project • Developer having obtained approval of a PUD by the District of Columbia Zoning Commission for the development of the Project • Developer having obtained all Permits for demolition (if any), excavation and sheeting and shoring for the Project and shall have applied for the building permit for the construction of the Project, but shall not be required to have applied for such Permits which are normally obtained during the course of construction of the Project, such as elevator permits and landscaping permits

	<ul style="list-style-type: none"> • Developer having provided twenty-five (25) parking spaces at the City Market at O site for use by the Immaculate Conception Catholic Church in accordance with the terms of an agreement to be negotiated between the Archdiocese and Developer, which is reasonably acceptable to District
Schedule of Performance	<p>Following is the Schedule of Performance with estimated dates, which may be amended and extended with the approval of DMPED, or otherwise upon an event of force majeure:</p> <ul style="list-style-type: none"> ■ Closing Date of Project under LDDA- within 2 years of Council approval ■ Commence Construction for the Project- 30 days after Closing ■ Substantial Completion of shell for the Retail Portion and parking garage - 20 months after Closing ■ Final Completion of Construction for the Project- 270 days after Substantial Completion
Community Benefits	Developer shall provide the Community Benefits as defined in Section 7.10 of the LDDA.
Post-Closing Requirements	Developer shall be bound by the Construction and Use Covenant and the Affordable Housing Covenant. The forms of these documents shall be attached to the LDDA.
Project Completion	Developer shall provide a completion guaranty for the construction of the Project from a guarantor approved by District. The form of the guaranty shall be attached to the LDDA.
CBE Agreement	Developer has entered into an SBE Subcontracting, and Equity and Development Participation, Statutory Requirements Acknowledgement Form reflecting Developer's 20% CBE developer/equity requirement and 35% CBE contracting requirement for the Project.
First Source Requirements	Developer has entered into a First Source Agreement with the Department of Employment Services, which shall govern certain obligations of the Developer pursuant to D.C. Official Code § 2-219.03, as amended, and Mayor's Order 83-265 (November 9, 1983) regarding job creation and employment generated as a result of the Project.

INTENTION AND LIMITATIONS OF THIS TERM SHEET

1. Developer and DMPED acknowledge that they have prepared and signed this Term Sheet for the sole purpose of obtaining the approval of the Council of the District of Columbia (the "Council") pursuant to D.C. Official Code § 10-801. Developer acknowledges that DMPED's negotiation of the LDDA and this Term Sheet, DMPED's signature on this Term Sheet, and submission of this Term Sheet and supporting documents to the Council shall not bind the District to execute the LDDA or to convey the Property to the Developer. Developer further acknowledges that, notwithstanding Council authorizing the conveyance of the Property, the District has no obligation to do so absent the District and the Developer duly executing the LDDA and satisfaction of the conditions contained therein. In the event DMPED or the Mayor determine, in their sole and absolute discretion, to withhold submission of this Term Sheet and supporting documents to the Council or to otherwise decline to secure Council authorization for the conveyance, DMPED may terminate negotiations with the Developer and the District shall not be responsible for the Developer's costs and expenses incurred in relation to the Project.

2. Developer acknowledges that all approvals required of the Council will be granted or withheld in the sole and absolute discretion of the Council and that, absent Council approval under D.C. Official Code § 10-801, DMPED has no authority to convey the Property to the Developer. Developer acknowledges that it is entering into this Term Sheet prior to obtaining all necessary Council approvals. Developer agrees it is proceeding at its sole risk and expense, in the absence of such approvals and execution of the LDDA, Developer shall have no recourse whatsoever against the District.

3. Developer and DMPED agree that upon receipt of all necessary Council approvals under D.C. Official Code § 10-801, Developer and DMPED shall finalize and execute an LDDA governing all of the terms and conditions of the purchase and sale of the Property. Until Developer and DMPED enter into the binding LDDA, both Developer and DMPED reserve the right to proceed with the purchase and sale in their sole and absolute discretion. Upon the execution of the LDDA, Developer and DMPED shall proceed in accordance with the terms of the LDDA; provided, however, that Developer and DMPED acknowledge and agree that any substantive change in the terms set forth in this Term Sheet shall be subject to further Council review and approval in accordance with D.C. Official Code § 10-801(b-1)(6).

IN WITNESS WHEREOF, DMPED and Developer have caused this Term Sheet, dated as of the first date written above, to be executed and attested by their respective duly authorized representatives.

DISTRICT:

DISTRICT OF COLUMBIA, by and through the Office of the Deputy Mayor for Planning and Economic Development

By: 

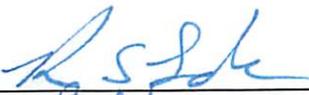
Brian T. Kenner
Deputy Mayor for Planning and Economic Development

DEVELOPER:

1336 8th Street SPE, LLC, a District of Columbia limited liability company

By: 1336 8th Street MM LLC, a District of Columbia limited liability company, its Managing Member

By: 1336 8th Street ARTLLC, a District of Columbia limited liability company, its Managing Member

By: 
Name: Rich S. Liden
Title: Member