



OFFICE OF THE
SECRETARY

2015 SEP 16 PM 12: 13

MURIEL BOWSER
MAYOR

SEP 16 2015

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, N.W., Suite 504
Washington, D.C. 20004

Dear Chairman Mendelson:

Enclosed for consideration by the Council are proposed resolutions entitled "8th & O Street N.W., Surplus Declaration Approval Resolution of 2015" and "8th & O Street, N.W. Disposition Approval Resolution of 2015."

These resolutions will approve the surplus and disposition of District owned real property located 1336 8th Street, N.W. known as 8th & O ("Property") pursuant to D.C. Official Code §10-801. The property consists of approximately 13,306 square feet and is currently used as a surface parking lot. No other government uses have been deemed viable for the Property.

The District acquired the Property through a series of transactions and operations of law. The Property was first acquired by the District of Columbia Redevelopment Land Agency (RLA) in July 1971. Subsequently the Property was transferred to the RLA Revitalization Corporation (RLARC), a subsidiary of the National Capital Revitalization Corporation in July 2002. By operation of law, the Property was subsequently transferred from RLARC to the District of Columbia, acting by and through the Office of the Deputy Mayor for Planning and Economic Development ("DMPED"). In December of 2013, DMPED released a Request for Proposal. In September of 2014, DMPED awarded the exclusive right to negotiate to Roadside Development and Dantes Partners.

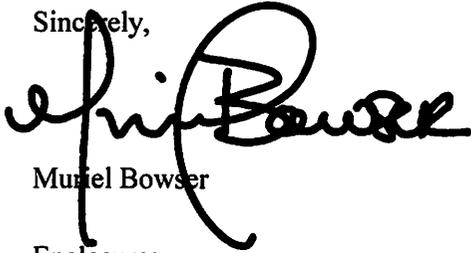
The proposed redevelopment project consists of a mixed use residential over retail development consisting of approximately 75 condominium units and approximately 4,000 square feet of neighborhood retail space. There are approximately 23 affordable housing units at 50% and 80% AMI. Based on the developer's estimates, the project will create over 200 jobs including approximately 185 construction jobs and approximately 17 permanent jobs. Additionally, the Developer will set up funds for local retail assistance, accommodate 1,500 square feet of space for the neighboring Immaculate Conception parish hall, and provide 25 replacement parking spaces at the adjacent O Street Market.

Pursuant to D.C. Official Code §10-801 (a-1)(4), a public meeting was held in the community on June 16, 2015, at Immaculate Conception Church/Center City Public Charter School, 711 N Street, N.W., to receive public comment on the proposed surplus of the Property.

Approval of these resolutions will declare the Property surplus and allow for the disposition to a private developer to redevelop the space in a manner consistent with the surrounding neighborhood.

As always, I am available to discuss any questions you may have regarding these resolutions. I look forward to prompt and favorable consideration of these resolutions.

Sincerely,

A handwritten signature in black ink, appearing to read "Muriel Bowser". The signature is written in a cursive style with a large, looping initial "M".

Muriel Bowser

Enclosures


Chairman Phil Mendelson
At the request of the Mayor

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A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To approve the disposition of District-owned real property located at 1336 8th Street, N.W., also known for tax assessment purposes as Lot Sixty Eight (68) in Square Three Hundred Ninety-Nine (399).

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, that this resolution may be cited as the “8th & O Street, N.W., Disposition Approval Resolution of 2015”.

Sec. 2. Definitions.

For the purposes of this resolution, the term:

(1) “CBE Agreement” means an agreement governing certain obligations of the Purchaser or the Developer under the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*) (“CBE Act”), including the equity and development participation requirements set forth in section 2349a of the CBE Act (D.C. Official Code § 2-218.49a).

(2) “Certified Business Enterprise” means a business enterprise or joint venture certified pursuant to the Small, Local and Disadvantaged Business Enterprise

1 Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33;
2 D.C. Official Code § 2-218.01 *et seq.*).

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

9 (4) “Property” means the real property located at 1336 8th Street, N.W., also
10 known for tax assessment purposes as Lot Sixty Eight (68) in Square Three Hundred
11 Ninety-Nine (0399).

12 (5) “Purchaser” means the Developer, its successor, or one of its affiliates or
13 assignees as approved by the Mayor.

14 Sec. 3. Findings.

15 (a) The developer of the Property shall be Roadside Development, LLC, with
16 a business address of 1730 Rhode Island Avenue, N.W., Suite 512, Washington, DC
17 20036 and Dantes Partners, LLC, with a business address of 701 Lamont Street, N.W.,
18 Washington, DC 20010 (collectively, the “Developer”).

19 (b) The Property consists of an approximately 13,306 square foot parcel of
20 land in the Shaw neighborhood of Ward 6, which currently serves as an unused parking
21 lot.

22 (c) The intended use of the Property is a mixed-use development providing
23 for affordable housing, residential market rate housing, retail, and any ancillary uses

1 allowed under applicable law, and as further described in the term sheet submitted with
2 this resolution (the “Project”).

3 (d) Purchaser will comply with the requirements of D.C. Official Code § 10-
4 801(a-3) and the “Disposition of District Land for Affordable Housing Amendment Act
5 of 2013” (D.C. Act 20-485 (November 27, 2014)) dedicating 30 percent of all multi-
6 family units as affordable housing units.

7 (e) Developer shall enter into an agreement that shall require Purchaser to, at
8 a minimum, contract with Certified Business Enterprises for at least 35% of the contract
9 dollar volume of the Project, and shall require in accordance with D.C. Official Code § 2-
10 218.49a at least 20% of the equity and 20% development participation of Certified
11 Business Enterprises.

12 (f) Developer shall enter into a First Source Agreement with the District that
13 shall govern certain obligations of the Developer pursuant to D.C. Official Code § 2-
14 219.03 and Mayor’s Order 83-265 (November 9, 1983) regarding job creation and
15 employment as a result of the construction on the Property.

16 (g) Pursuant to An Act Authorizing the sale of certain real estate in the
17 District of Columbia no longer required for public purposes (“Act”), approved August 5,
18 1939 (53 Stat. 1211; D.C. Official Code § 10-801 *et seq.*), the proposed method of
19 disposition is a public or private sale to the bidder providing the most benefit to the
20 District under D.C. Official Code § 10-801(b)(8)(F).

21 (h) All documents that are submitted with this resolution pursuant to D.C.
22 Official Code § 10-801(b-1) shall be consistent with the executed Memorandum of

1 Understanding or term sheet transmitted to the Council pursuant to D.C. Official Code §
2 10-801(b-1)(2).

3 Sec. 4. Approval of disposition.

4 (a) Pursuant to the Act the Mayor transmitted to the Council a request for
5 approval of the disposition of the Property to Purchaser.

6 (b) The Council approves the disposition of the Property.

7 Sec. 5. Fiscal impact statement.

8 The Council adopts the fiscal impact statement in the committee report as the
9 fiscal impact statement required by section 602 (c)(3) of the District of Columbia Home
10 Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02
11 (c)(3)).

12 Sec. 6. Transmittal of resolution.

13 The Secretary to the Council shall transmit a copy of this resolution, upon its
14 adoption, to the Mayor.

15 Sec. 7. Effective date.

16 This resolution shall take effect immediately.

Government of the District of Columbia
Office of the Chief Financial Officer



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: June 18, 2015

SUBJECT: Fiscal Impact Statement – 8th & O, N.W., Disposition Approval
Resolution of 2015

REFERENCE: Draft Resolution as shared with the Office of Revenue Analysis on June
15, 2015

Conclusion

Funds are sufficient in the fiscal year 2015 budget and the proposed fiscal year 2016 through fiscal year 2019 budget and financial plan to implement the legislation. Implementation of the resolution will generate \$1 million in one-time special purpose revenue from the sale of District owned property.

Background

The proposed resolution approves the disposition of the property located at 1336 8th Street, N.W.¹ The property is currently occupied as a parking lot for two neighboring churches,² but the land disposition and development agreement requires the District to terminate those relationships no later than thirty days prior to closing on the sale of the property. 1336 8th Street SPE LLC will buy the property for \$1 million and develop it for mixed-use, including affordable and market rate housing and retail. The affordable housing component will comprise of 30 percent of the multi-family units as required under the District law.³

¹ Located at the corner of 8th Street, N.W. and O Street, N.W. and known for tax purposes as Square 399, Lot 68.

² Immaculate Conception Church located at 1315 8th Street, N.W. and Scripture Cathedral located at 810 O Street, N.W.

³ Disposition of District Land for Affordable Housing Amendment Act of 2013, effective March 10, 2014 (D.C. Law 20-193; D.C. Official Code § 10-801(a-3)).

The Honorable Phil Mendelson

FIS: "8th & O, N.W., Disposition Approval Resolution of 2015," Draft Resolution as shared with the Office of Revenue Analysis on June 15, 2015

The land disposition and development agreement further requires the developer to provide certain community benefits. These include the donation of one condominium unit to the Archdiocese of Washington, D.C., the donation of twenty-five parking spaces to the Immaculate Conception Church, and \$100,000 for a neighborhood retail promotion fund.

Additional provisions in the resolution require the developer to enter into a First Source Agreement⁴ with the District and contract with Certified Business Enterprises for at least 35 percent of the contract dollar volume of the project, 20 percent of the equity participation, and 20 percent of the development participation.⁵

Financial Plan Impact

Funds are sufficient in the fiscal year 2015 budget and the proposed fiscal year 2016 through fiscal year 2019 budget and financial plan to implement the bill. The District will receive the \$1 million purchase amount at closing, which is expected to take place in second half of fiscal year 2016.⁶ The sale proceeds will be deposited into the Economic Development Special Account; a fund used to support properties and programs formerly controlled by the National Capital Revitalization Corporation⁷ and Anacostia Waterfront Corporation, which are now managed by the Deputy Mayor for Economic Development.

⁴ Pursuant to D.C. Official Code § 2-219.03.

⁵ Pursuant to D.C. Official Code § 2-218.49a.

⁶ The Deputy Mayor for Planning and Economic Development currently estimates closing to occur in the summer of 2016.

⁷ 1336 8th Street, N.W. was part of the National Capital Revitalization Corporation portfolio.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL



Legal Counsel Division



MEMORANDUM

**TO: Lolita S. Alston
Director
Office of Legislative Support**

**FROM: Janet M. Robins
Deputy Attorney General
Legal Counsel Division**

DATE: June 17, 2015

**SUBJECT: 8th and O Street NW Surplus Declaration, Approval and Disposition
Resolutions of 2015
(AE-15-396)**

This is to Certify that this Office has reviewed the legislation entitled the “8th and O Street, N.W. Surplus Declaration and Approval Resolution of 2015” and the “8th and O Street, N.W. Surplus Disposition Approval Resolution of 2015”, and found them to be legally unobjectionable. If you have any questions, please do not hesitate to call me at 724-5524.


Janet M. Robins