

McMillan Sand Filtration Site

As of August 24, 2015

Address: 2501 1st St NW

Development Partners: Vision McMillan Partners (EYA, Jair Lynch Development Partners, Trammell Crow)

Brief Project History: The District of Columbia purchased McMillan from the federal government in 1987 for \$9.3 million in order to develop the 25 acre property. In July of 2007, the National Capital Revitalization Corporation ("NCRC") selected Vision McMillan Partners, LLC ("VMP") as the land developer. In December of 2007, the District, the McMillan Advisory Group ("MAG"), and VMP executed a Community Letter of Commitment outlining key revisions to VMP's role as both the master planner and vertical developer. Within the last year, the Historic Preservation Review Board, Zoning Commission, and the National Capital Planning Commission have approved the master plan for McMillan.

Project Redevelopment Plans: McMillan is divided into seven distinct Parcels. Parcel 1 is located at the north portion of the property and will be improved with a healthcare facility with ground-floor retail and a park above a preserved water filtration cell. A mixed-use, multi-unit residential building will be on Parcel 2 with ground-floor retail. A mixed-use commercial building will be developed on Parcel 3 with healthcare uses and ground-floor retail. Parcel 4, fronting on North Capitol Street at the center of the property will be developed with a mixed-use, multi-family residential building with a ground floor- grocery store. Approximately 146 individual row dwellings are proposed for Parcel 5. The south one-third of the property, known as Parcel 6, will be developed as an eight acre park including a 6.2 acre green space, a community center building, and the South Service Court comprised of historic structures to be retained and restored. Lastly, the North Service Court, also known as Parcel 7 and located immediately south of Parcel 1, will be comprised of retained and restored historic resources.

Conveyance Details: Select pads within McMillan will be transferred via fee simple transfer. The District will retain ownership of select public amenities, including the park, community center, and historical preservation assets.

Affordable Housing: McMillan will include 20% affordable housing within multi-family and for sale townhomes. 531 multifamily units will include 85 affordable senior apartments at or below 60% AMI and another 25 will be affordable at or below 80% AMI. 146 for sale townhomes will include 9 at or below 50% AMI and 13 at or below 80% AMI.

Economic Considerations: The District will financially support the site work, infrastructure, historic preservation, community center and park with a total development budget of nearly \$80 million. The Developer will purchased finished pads within McMillan for fair market value based upon either a return on costs (ROC) or per pad basis. The final sale price of the finished pads is estimated at \$35 million and will be finalized within 6 months of closing. It is estimated that McMillan will produce \$1.2 billion in new tax revenues over 30 years, 3,000 new construction jobs and 3,200 permanent jobs.

Current Project Status: We are negotiating the final Land Disposition Agreement. VMP is currently performing 30% design development activities.

Needed Council Approvals: Street closure legislation and extension of disposition authority

- *Street and Alley Closing:* Streets within the project were recorded in the Office of the Surveyor in 1887 but were never physically created. The McMillan Sand Filtration Site was

then completed in 1905 again without the recorded public streets being physically created. In order to move forward with the project, these existing public streets need to be closed. Private streets will be created on the property as part of the project.

- *Disposition Extension Resolution:* In order to dispose of parcels within the project, needed infrastructure development must first be performed. Sale of parcels within the project will also occur in two phases. This development timeline is consistent with the Council approved summary term sheets. As such, in order to sign the land disposition agreements (LDAs), DMPED's disposition authority must also be consistent with this development timeline. §10-801 provides DMPED with two years to dispose of the parcels. In cases like McMillan, when infrastructure development and phased sales take multiple years, DMPED requires additional time. This resolution requires a five year extension to seven years.

Project Timeline/Upcoming Major Milestones: The LDA is expected to be sign in early FY16. Groundbreaking is anticipated in mid FY16.

Contact DMPED:

Sarosh Olpadwala, Director of Real Estate

Email: Sarosh.Opadwala@dc.gov | Office: (202) 727-6822

McMillan Sand Filtration Site

Development partners: Vision McMillan Partners
(EYA, Jair Lynch, Trammell Crow)



Program & Benefits:

- 4,284 Construction jobs
- 3,618 Permanent jobs
- \$538M in estimated tax revenue (over 30 years)
- 677 Residential units
 - 132 affordable / 545 market rate
- 125,000 Retail SF, including 50,000 SF grocery
- 1,050,000 Office SF
- 1,000,000 SF Healthcare facilities
- 8-acre park and community center with pool
- Preservation of historic buildings and Olmsted landscape design

Status/Milestones:

- Entitlement approvals:
 - May 2014: HPRB approval
 - Dec. 2014: National Capital Planning Commission approval, DC Zoning Commission approval, DC Council approval
 - Aug. 2015: Mayor's Agent for Historic Preservation Approval
- July 2015: Funding approval from DC Council

Upcoming:

- Mid-2016: Groundbreaking

