



OFFICE OF THE
SECRETARY

2016 NOV 10 PM 4:53

MURIEL BOWSER
MAYOR

NOV 10 2016

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 of the District of Columbia is a proposed resolution entitled the "Fifth Street, NW and I Street, N.W. Disposition Extension Approval Resolution of 2016".

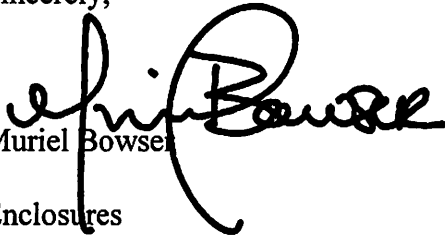
This proposed resolution will extend the time for the District to dispose of District owned real property located at 901 Fifth Street, N.W., which currently contains a temporary parking lot. Included with this resolution is a status report detailing the reasons for the inability of the District to dispose of the Property within the 2-year time period authorized by the "Fifth Street, N.W. and I Street, N.W. Disposition Emergency Approval Act of 2014", effective December 23, 2014 (D.C. Act 20-543; 62 DCR 240), as required under D.C. Official Code §10-801(d).

This extension is necessary to allow the District to dispose of the Property to the Development Team, which is comprised of TCP 5th and I Partners LLC and MLK DCC AH Developer LLC (collectively, the "Developer"). The Developer has worked diligently to complete design and pre-construction milestones, however due to delays with the Affordable Housing Project component, the pre-closing conditions for the District to dispose of the Property have not been

met and therefore the District is unable to dispose the Property within the authorized period. The additional time will allow the Developer to achieve the required pre-closing conditions.

As always, I am available to discuss any questions you may have regarding this proposed resolution. I look forward to a prompt and favorable consideration of this proposed resolution.

Sincerely,

A handwritten signature in black ink, appearing to read "Muriel Bowser". The signature is fluid and cursive, with a large initial "M" and "B".

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 and authorize the extension of the time limit for the disposition of certain District-owned real property, located at 901 Fifth Street, NW, and known for tax and assessment purposes as Lot 59 in Square 516.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, that this resolution may be cited as the “Fifth Street, NW and I Street, NW Disposition Extension Approval Resolution of 2016”.

Sec. 2 (a) Pursuant to section 1 of 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(d)), the Mayor transmitted to the Council a request for approval of additional time for the disposition of certain real property located at 901 Fifth Street, NW and known for tax and assessment purposes as Lot 59 in Square 516. The Council approved the initial disposition pursuant to the Fifth Street, N.W. and I Street, N.W. Disposition Emergency Approval Act of 2014, effective December 23, 2014 (D.C. Act 20-543; 62 DCR 240) (the “Fifth Street, N.W. and I Street, N.W. Emergency Act”).

33 (b) The Mayor transmitted a detailed status report on efforts made to dispose
34 of the Property, as well as the reasons for the inability to dispose of the Property within
35 the time period authorized by the Fifth Street, N.W. and I Street, N.W. Emergency Act.

36 (c) The Council approves the additional time requested by the Mayor to
37 dispose of the Property and extends the time period to December 23, 2018.

38 Sec. 3. Transmittal of resolution.

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

41 Sec. 4. Fiscal impact statement.

42 The Council adopts the fiscal impact statement prepared by the Chief Financial
43 Officer as the fiscal impact statement required by section 602(c)(3) of the District of
44 Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official
45 Code § 1-206.02(c)(3)).

46 Sec. 5. Effective date.

47 This resolution shall take effect immediately.



Status Report on the Disposition of 5th and I Streets, N.W.

This status report is prepared and submitted in regards to the “Fifth Street, NW and I Street, NW Disposition Extension Approval Resolution of 2016”.

Pursuant to DC Code 10-801(d), the Mayor has determined that the property commonly known as Fifth & I Streets, located at 901 Fifth Street, N.W., and known for tax and assessment purposes as Lot 59 in Square 516 (“Property”), cannot be disposed of within the two years of disposition authority provided under the “Fifth Street, N.W. and I Street, N.W. Disposition Emergency Approval Act of 2014,” Act 20-543 (62 DCR 240) (“Disposition Resolution”).

1. Schedule of Project Milestones

To date, the selected development team, comprised of TPC 5th & I Partners LLC and MLK DC AH DEVELOPER, LLC (collectively the “Developer”), has worked diligently to meet all deadlines set forth in the schedule of performance of the Land Disposition Agreement (“LDA”), which was executed with the District on December 24, 2014.

The Developer has completed the following milestones in the design and pre-construction phase:

1. Submission of Concept Design Plans to District for approval – Complete (Commercial Building)
2. Submission of Schematic Design Plans to District for approval – Complete (Commercial Building)
3. Historic Preservation Review Board Approval of Schematic Designs – Complete (Commercial Building)
4. Submission of Revised Concept Design Plans for approval – Complete (Affordable Housing)

2. Project Status Report

After the competitive selection of a development team for the 5th & I Street Site—which is to be a major-mixed use development, including a hotel, condominiums, ground-floor retail, and below grade parking—the Developer pursued parallel approvals for both the hotel and condominiums at 5th & I, N.W. (Commercial Building) and the affordable housing component at 2100 MLK, S.E. Approvals for both components of the Project were intended to be completed prior to the expiration of the two year period granted in the Disposition Authority.

2100 MLK lies within the Anacostia Historic District and the preliminary plans for the affordable housing component were rejected by the HPRB. The Parties sought approval a second time but were again denied by the HPRB. Both plans were rejected based upon the height and massing of the designs presented.

The LDA provides that before the District conveys the 5th and I parcel to Developer, the Developer shall have obtained the building permit needed to begin construction of the Affordable Housing Project

BRIAN T. KENNER
DEPUTY MAYOR

at 2100 Martin Luther King, Jr. Ave., SE (the "AHP"), shall have signed a construction contract with a contractor to build the AHP, and shall have obtained the financing necessary to complete the AHP.

Therefore, due to the delays in the AHP, DMPED cannot dispose of the subject property prior to the expiration of the disposition authority on December 23, 2016.

The Developer has engaged a new design team, is in the process of working with the ANC and HPO staff, and will be seeking approval of the affordable housing component by the HRPB in late October-early November of this year. Therefore, DMPED is requesting an extension of its disposition authority because it will not be able to dispose of the property prior to the expiration of its disposition authority on December 23, 2016.

3. Activities Required prior to Disposition

The Developer has diligently progressed with its design milestones (above) and is expecting to resubmit its application for HPRB review and approval of the affordable housing component in late fall of 2016. The District will be able to close on the property following approval of the affordable housing building plans, obtaining building permits for commercial building and affordable housing, and NOFA awards for funding.

BRIAN T. KENNER
DEPUTY MAYOR

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL



ATTORNEY GENERAL
KARL A. RACINE

Legal Counsel Division

MEMORANDUM

TO: Lolita S. Alston
Director
Office of Legislative Support

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

DATE: October 5, 2016

SUBJECT: Fifth Street, NW and I Street, NW Disposition Extension Approval Resolution of
2016
(AE-16-590)

This is to Certify that this Office has reviewed the resolution entitled the
“Fifth Street, NW and I Street, NW Disposition Extension Approval Resolution of 2016”, and found
it to be legally unobjectionable. If you have any questions, please call me at 724-5524.

A handwritten signature in blue ink, appearing to read 'JMR/afarber', written over a horizontal line.

Janet M. Robins

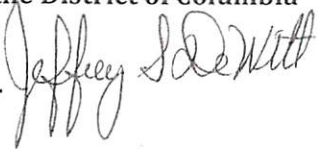
Government of the District of Columbia
Office of the Chief Financial Officer



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: October 5, 2016

SUBJECT: Fiscal Impact Statement – Fifth Street, NW and I Street, NW Disposition
Extension Approval Resolution of 2016

REFERENCE: Draft Proposed Resolution as shared with the Office of Revenue
Analysis on September 30, 2016

Conclusion

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the proposed resolution.

Background

The proposed resolution extends the amount of time the District has to dispose of the property located at 901 5th Street, N.W.¹ The District now has until December 23, 2018 to dispose of the property to the developer – TPC 5th & I Partners LLC and MLK DC AH Developer, LLC.² The developer will build a commercial building at 901 5th Street, N.W. that includes a hotel, condominiums, and approximately 7,600 square feet of retail. The developer will also build approximately 61 units of affordable housing located at 2100 Martin Luther King, Jr. Avenue, S.E.

Financial Plan Impact

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the proposed resolution. There are no costs associated with extending the disposition period for the property located at 901 5th Street, N.W.

¹ Known for tax assessment purposes as Lot 59 in Square 516.

² Fifth Street, N.W. and I Street, N.W. Disposition Emergency Approval Act of 2014, effective December 23, 2014 (D.C. Act 20-543; 62 DCR 240).

The Honorable Phil Mendelson

FIS: "Fifth Street, NW and I Street, NW Disposition Extension Approval Resolution of 2016," Draft Proposed Resolution as shared with the Office of Revenue Analysis on September 30, 2016

The developer has not received the appropriate approvals from the Historic Preservation Review Board for the affordable housing project located at 2100 Martin Luther King, Jr. Avenue, S.E. and, therefore, the District cannot dispose of the 901 5th Street, N.W. property. The District and the developer have not changed the terms of the land disposition agreement and the developer will pay \$28 million when the property closes prior to December 23, 2018.