

OFFICE OF THE SECRETARY 2016 SEP 16 AM 10: 13

MURIEL BOWSER MAYOR

SEP 16 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 bill entitled the "Extension of Time to Dispose of the Strand Theater Emergency Act of 2016", the accompanying emergency declaration resolution entitled the "Extension of Time to Dispose of Strand Theater Emergency Declaration Resolution of 2016", temporary legislation entitled the "Extension of Time to Dispose of the Strand Theater Temporary Act of 2016", and permanent legislation entitled "Extension of Time to Dispose of the Strand Theater Act of 2016."

This bill will extend the time in which the District may dispose of District-owned real property located at 5131 Nannie Helen Burroughs Avenue, N.E., commonly referred to as the Strand Theater ("Property"). Pursuant to "Extension of Time to Dispose of the Strand Theater Temporary Amendment Act of 2015" (D.C. Act 21-205; 62 DCR 15593), the District's authority to dispose of the Property expires on October 6, 2016. The Washington Metropolitan Community Development Corporation ("Developer") was selected in 2008 through a competitive solicitation process to redevelop the Property. Since then, the Developer has formed partnerships with The Warrenton Group and The NHP Foundation, and has worked diligently to create a development program for the Property that will both address neighborhood needs of quality retail and community space, while also incorporating much-needed affordable housing, which was not originally planned for the redevelopment of the Property. This redevelopment is part of the New Communities Initiative ("NCI"). NCI aims to revitalize severely distressed subsidized housing, and redevelop communities plagued with concentrated poverty, high crime, and economic segregation. In keeping in line with the NCI guidelines, the Developer has been able to achieve this expanded program by

working with adjacent property owners to acquire sites to the west and south of the Property, thus significantly expanding the project footprint.

The Property is planned to include approximately 9,000 square feet of commercial space, including two ground floor retail bays, a small business incubator, additional community space, related parking, and ancillary improvements. One-hundred percent (100%) of the Property's approximately 53,000 square feet of planned residential space, equaling approximately 86 for-rent apartments, shall be reserved for households with incomes at or below 60% of Area Median Income ("AMI"), including 28 replacement units for families currently living at Lincoln Heights and/or Richardson Dwellings ("Project").

The redevelopment of the Property is of great importance to the surrounding Deanwood neighborhood and the Ward 7 community as a whole. The community, through its advocates, the affected ANC, and the Ward 7 Councilmember, has expressed support for the revised Project and for including the 86 residential units, all 100% of which will be affordable.

Additionally, the 28 replacement units that will be brought online through this Project will prevent the displacement of families currently living at Lincoln Heights and/or Richardson Dwellings, while allowing the District to clear the portion of the Lincoln Heights site slated for the first round of on-site demolition and redevelopment under NCI.

In order to provide the community with much needed affordable housing and retail/commercial space, the Developer needs additional time to meet its pre-closing obligations. The Developer must apply and be approved for a Planned Unit Development for the Project, complete construction drawings, apply and secure a building permit from the Department of Consumer and Regulatory Affairs, and secure all financing for the project, including 4% Low Income Housing Tax Credits ("LIHTCs"). Therefore, this Act provides an extension to the District's disposition authority for the Property until October 6, 2018, allowing the Developer an additional two years to close.

As always, I am available to discuss any questions you may have regarding the enclosed legislation. I look forward to prompt and favorable consideration of them.

Sincerely.

Enclosures

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Chairman Phil Mendelson at the request of the Mayor

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Official Code § 10-801) is amended as follows:

(a) Subsection (d-6) is amended to read as follows:

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A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend, on a temporary basis, An Act Authorizing the sale of certain real estate in the District

of Columbia no longer required for public purposes to extend the time in which the

D.C., and known for taxation and assessment purposes as Lot 801 in Square 5196.

act may be cited as the "Extension of Time to Dispose of the Strand Theater Temporary Act of

Mayor may dispose of certain District-owned real property, commonly referred to as the

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this

Sec. 2. Section 1 of An Act Authorizing the sale of certain real estate in the District of

"(d-6) Notwithstanding subsection (d) of this section, the time period within which the

Mayor may dispose of District-owned real property located at 5131 Nannie Helen Burroughs

Avenue, N.E., known for tax and assessment purposes as Lot 801 in Square 5196 ("Property").

for the construction of a mixed-use residential and retail development, which was approved by

the Council pursuant to the Strand Theater Disposition Approval Resolution Of 2009, effective

Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat. 1211; D.C.

Strand Theater, located at 5131 Nannie Helen Burroughs Avenue, N.E. in Washington,

- October 9, 2009 (Res. 18-0263; 56 DCR 8410), as extended by the Extension of Time to Dispose
- of the Strand Theater Temporary Amendment Act of 2015" (D.C. Law 21-53; 63 DCR 1477), is
- extended to October 6, 2018."
- Sec. 3. Fiscal impact statement.
- 35 The Council adopts the fiscal impact statement prepared by the Chief Financial Officer as
- the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule
- 37 Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).
- 38 Sec. 4. Effective date.
- 39 (a) This act shall take effect following approval by the Mayor (or in the event of veto by
- 40 the Mayor, action by the Council to override the veto), a 30-day period of congressional review
- as provided in section 602 (c)(1) of the District of Columbia Home Rule Act, approved
- 42 December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02 (c)(1)), and publication in the
- 43 District of Columbia Register.
- (b) This act shall expire after 225 days of its having taken effect.

## 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:

September 13, 2016

SUBJECT:

Extension of Time to Dispose of the Strand Theater Emergency, Temporary, and

Permanent Amendment Acts of 2016 and Accompanying Emergency Declaration

Resolution

(AE-16-504B) (xref: AE-08-824)

This is to Certify that this Office has reviewed the bill entitled the

"Extension of Time to Dispose of the Strand Theater Emergency Amendment Act of 2016", the "Extension of Time to Dispose of the Strand Theater Temporary Amendment Act of 2016", the "Extension of Time to Dispose of the Strand Theater Amendment Act of 2016", and the "Extension of Time to Dispose of the Strand Theater Emergency Declaration Resolution of 2016", and found them to be legally unobjectionable. If you have any questions, please call me at 724-5524.

Janet M. Robins