

MURIEL BOWSER MAYOR

JUN 20 2019

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

Dear Chairman Mendelson:

I am transmitting to the District of Columbia Council, for its review and consideration, the "St. Elizabeths East Redevelopment Support Emergency Declaration of 2019," "St. Elizabeths East Redevelopment Support Emergency Amendment Act of 2019," the "St. Elizabeths East Redevelopment Support Temporary Amendment Act of 2019," and the "St. Elizabeths East Redevelopment Support Amendment Act of 2019." This legislation would, on an emergency, temporary, and permanent basis, authorize the Mayor to dispose of a portion of certain property for the redevelopment of St. Elizabeths East – Phase I.

In 2016, the Council approved the St. Elizabeths East Campus – Phase I Disposition Approval Resolution of 2016, effective March 1, 2016 (Res. 21-416; 63 DCR 9325), which authorized the disposition of real property known as the St. Elizabeths East Campus located between 1300 and 1100 Alabama Avenue, S.E. ("St. Elizabeths East") to Redbrick LMD, LLC and Gragg-Cardona Partners, for the purpose of creating a mixed-use development project providing affordable housing, residential market-rate housing, retail, and ancillary uses (the "St. Elizabeths East Redevelopment").

In furtherance of the redevelopment of St. Elizabeths East, the Council had previously approved the St. Elizabeths East Redevelopment Support Act of 2014, effective April 30, 2015 (D.C. Law 20-244; 62 DCR 1490) allowing a land swap between the District and the Washington Area Metro Transit Authority ("WMATA") that will enable an extension of 13th Street, S.E., pursuant to the St. Elizabeths Master Plan and grant WMATA easements and fee title to the areas currently operated and maintained as part of the green line Metrorail system near the St. Elizabeths East Campus (the "Land Swap").



This legislation will amend, on an emergency, temporary, and permanent basis, the St. Elizabeths East Redevelopment Support Act of 2014, effective April 30, 2015 (L20-244; DCR 1490) (Act) to authorize the Mayor to dispose of a portion of the exchanged property for the redevelopment of St. Elizabeths East—Phase I. The Emergency Declaration declares the existence of an emergency for the need to amend the Act. The Mayor needs authority to dispose of the Land Swap Lots to the Developer to allow the St. Elizabeths East Redevelopment to move forward. Therefore an amendment to the St. Elizabeths East Redevelopment Support Act of 2014 is necessary to allow the St. Elizabeths East Redevelopment to move forward.

I look forward to your favorable consideration. Thank you.

Sincerely,

Muriel Howsen

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Chairman Phil Mendelson at the request of the Mayor A BILL IN THE COUNCIL OF THE DISTRICT OF COLUMBIA To amend the St. Elizabeths East Redevelopment Support Act of 2014 to authorize the Mayor to dispose of a portion of the exchanged property for the redevelopment of St. Elizabeths East - Phase I. BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "St. Elizabeths East Redevelopment Support Amendment Act of 2019". Sec. 2 Section 2 of the St. Elizabeths East Redevelopment Support Act of 2014, effective April 30, 2015 (D.C. Law 20-244; 62 DCR 1490) is amended as follows: (a) The lead in language is amended by striking the phrase "(a-1)" wherever it appears. (b) A new paragraph (1A) is added to read as follows: "(1A) Dispose of approximately 8,413 square feet of the real property to be acquired from WMATA and designated as Lot 17B, and being part of Parcel 228/144 to be developed as part of the development project approved by the Council pursuant to the St. Elizabeths East Campus - Phase I Disposition Approval Resolution of 2015, effective March 1, 2016 (R21-416; 63 DCR 9325). Sec. 3 Fiscal impact statement.

- The Council adopts the fiscal impact statement prepared by the Chief Financial Officer as
- 2 the fiscal impact statement required by section 4a of the General Legislative Procedures Act of
- 3 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).
- 4 Sec. 4 Effective date.
- This act shall take effect following approval by the Mayor (or in the event of veto by the
- 6 Mayor, action by the Council to override the veto), a 30-day period of congressional review as
- 7 provided in section 601(c)(1) of the District of Columbia Home Rule Act, approved December
- 8 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)), and publication in the District of
- 9 Columbia Register.

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 7, 2019

SUBJECT: Fiscal Impact Statement - St. Elizabeths East Redevelopment Support

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Emergency Amendment Act of 2019

REFERENCE: Draft Bill as shared with the Office of Revenue Analysis on May 31,

2019

Conclusion

Funds are sufficient in the fiscal year 2019 budget and the proposed fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill.

Background

In 2014, the Council approved a land swap with the Washington Metropolitan Area Transit Authority (WMATA) for land located at the southern end of the St. Elizabeths East Campus near the Congress Heights Metro Station.¹ The District will transfer approximately 1.06 acres of land located at the northern end of the Congress Heights Metro Station parking lot and just east of Sycamore Drive, S.E.² to WMATA. WMATA will transfer approximately 0.56 acres of land located along Alabama Avenue, S.E., just west of the Congress Heights Metro Station, to the District.³ A portion of the land WMATA gives to the District will be used to extend 13th Street, S.E. north across Alabama Avenue, S.E.⁴

¹ St. Elizabeths East Redevelopment Support Act of 2014, effective April 30, 2015 (D.C. Law 20-244; 62 DCR 1490).

² This includes the entirety of the land known for assessment and tax purposes as Square S-5868, Lot 834, and a portion of Square S-5868, Lot 833.

³ The land is a portion of what is known for assessment and tax purposes as Parcel 228/144.

⁴ This will be known as Lot 107 in the St. Elizabeths East Campus redevelopment plans.

The Honorable Phil Mendelson

FIS: "St. Elizabeths East Redevelopment Support Emergency Amendment Act of 2019," Draft Bill as shared with the Office of Revenue Analysis on May 31, 2019

The bill approves the disposition of approximately 8,413 square feet of the land WMATA will give to the District, located at the northeast corner of Alabama Avenue, S.E. and 13th Street, S.E. This land, which will be designated as Lot 17b, will be disposed to the joint development team of Redbrick LMD LLC and Gragg Cardona Partners LLC. Lot 17b will become part of the development team's project on the adjacent Lot 17 along Alabama Avenue, S.E.

Financial Plan Impact

Funds are sufficient in the fiscal year 2019 budget and the proposed fiscal year 2020 through fiscal year 2023 budget and financial plan to implement the bill. The District disposed of Lot 17 in 2018⁵ for the development of a commercial building, but the development plan for that parcel was always expected to include Lot 17b upon the District's acquisition of the parcel. The terms associated with the development of Lot 17, which include a \$100,000 annual rent payment under a 99-year ground lease, cover both lots and there are no separate terms for Lot 17b. Both the land swap and the disposition of Lot 17b are expected to occur in 2019.

⁵ Pursuant to the St. Elizabeths East Campus – Phase I Disposition Approval Resolution of 2015, effective March 1, 2016 (Resolution 21-416; 63 DCR 9325).

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 17, 2019

SUBJECT:

Fiscal Impact Statement - St. Elizabeths East Parcel 15 Surplus

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Declaration and Approval Resolution of 2019

REFERENCE:

Draft Proposed Resolution as shared with the Office of Revenue

Analysis on May 31, 2019

Conclusion

Funds are sufficient in the fiscal year 2019 through fiscal year 2023 budget and financial plan to implement the proposed resolution.

Background

The St. Elizabeths campus is a National Historic Landmark located in Southeast Washington, D.C. and is comprised of a West and East campus. In 1987, the federal government transferred ownership of the East campus to the District. The St. Elizabeths East redevelopment framework plan¹ and the subsequent St. Elizabeths East Master Plan and Design Guidelines established the vision, scope, and details of how the District would revitalize the East campus. More recently, the District approved the disposition of four parcels on the campus for private development² and redeveloped a fifth parcel as the Entertainment and Sports Arena.³

¹ Saint Elizabeths East Redevelopment Framework Plan Approval Resolution of 2008, approved December 16, 2008 (Resolution 17-899; 56 DCR 516).

² St. Elizabeths East Campus – Phase I Disposition Approval Resolution of 2015, effective March 1, 2016 (Resolution 21-416; 63 DCR 9325).

³ http://eventsdc.com/Venues/Entertainment-and-Sports-Arena.aspx

The Honorable Phil Mendelson

FIS: "St. Elizabeths East Parcel 15 Surplus Declaration and Approval Resolution of 2019," Draft Proposed Resolution as shared with the Office of Revenue Analysis on May 31, 2019

The proposed resolution declares as surplus an additional parcel – Parcel 15. Parcel 15⁴ is approximately 187,000 square feet of land roughly bounded by Oak Street, S.E. on the east, Sycamore Drive, S.E. on the south and west, and the Entertainment and Sports Arena on the north. The property contains two vacant buildings and a parking lot and is no longer needed for public purposes.

Parcel 15 will be disposed to STE 15 LLC⁵ by the concurrently introduced St. Elizabeths East Parcel 15 Disposition Approval Resolution of 2019.

Financial Plan Impact

Funds are sufficient in the fiscal year 2019 through fiscal year 2023 budget and financial plan to implement the proposed resolution. There are no costs associated with the surplus property declaration.

⁴ Known for assessment and tax purposes as Square S-5868, Lot 810.

⁵ STE 15 LLC is a joint venture between Redbrick LMD LLC and Gragg Cardona Partners LLC.

GOVERNMENT OF THE DISTRICT OF COLUMBIA OFFICE OF THE ATTORNEY GENERAL

* * *

ATTORNEY GENERAL KARL A. RACINE

Legal Counsel Division

PRIVILEGED AND CONFIDENTIAL

MEMORANDUM

TO:

Alana Intreiri

Executive Director

Office of Policy and Legislative Affairs

FROM:

Brian K. Flowers

Deputy Attorney General Legal Counsel Division

DATE:

June 6, 2019

SUBJECT:

St. Elizabeths East Redevelopment Support Emergency, Temporary and

Permanent Amendment Acts of 2019 and Accompanying Emergency

Declaration Resolution

(AE-19-396)

This is to Certify that this Office has reviewed legislation entitled the "St. Elizabeths East Redevelopment Support Emergency Amendment Act of 2019", the "St. Elizabeths East Redevelopment Support Temporary Amendment Act of 2019", the "St. Elizabeths East Redevelopment Support Amendment Act of 2019", and the "St. Elizabeths East Redevelopment Support Emergency Declaration of 2019", and determined that it is legally sufficient.

If you have any questions, please do not hesitate to call me at 724-5524.

Brian K. Flowers