Councilmember Charles Allen

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 establish the affordable housing requirements for the development of District-owned real property located at 1336 8th Street, N.W., and known for tax and assessment purposes as Lot 68 in Square 399, and to extend the time in which the Mayor may dispose of said real property. BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "8th & O Streets, N.W. Affordable Housing Requirements and Extension of Disposition Authority Temporary Amendment Act of 2020". Sec. 2. 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), is amended as follows: (a) Subsection (b-3) is amended by adding a new paragraph (8) to read as follows: "(8) Notwithstanding paragraph (2) of this subsection, for the disposition of the District-owned real property located at 1336 8th Street, N.W., 50% of the affordable units shall be for housing for which a low-income household will pay no more than 30% of its income toward housing costs, and 50% of the units shall be housing for which a 

- 36 moderate-income household will pay no more than 30% of its income toward housing 37 costs, whether or not the units to be constructed are rental units or ownership units. The Land Disposition and Development Agreement in the form approved by Council pursuant 38 to the 8th & O Streets, N.W., Disposition Approval Resolution of 2016, effective 39 February 2, 2016 (Res. 21-374; 63 DCR 1498), is in full force and effect, including, 40 41 without limitation, the Affordable Housing Covenant attached as an exhibit thereto, 42 which shall be recorded against the property at closing. (b) Subsection (d-7) is amended by striking the phrase "February 2, 2020" and inserting 43 44 the phrase "December 31, 2020" in its place. 45 Sec. 3. Fiscal impact statement The Council adopts the fiscal impact statement of the Budget Director as the 46
- 49 Sec. 4. Effective date

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This act shall take effect following approval by the Mayor (or in the event of veto by 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 December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

fiscal impact statement required by section 4a of the General Legislative Procedures Act

of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

(b) This act shall expire after 225 days of its having taken effect.

## COUNCIL OF THE DISTRICT OF COLUMBIA Office of the Budget Director



Jennifer Budoff
Budget Director

## FISCAL IMPACT STATEMENT

TO:

The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM:

Jennifer Budoff, Budget Director Budoff, Budget

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Director

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DATE:

May 5, 2020

**SHORT TITLE:** 

8th & O Streets, N.W. Affordable Housing Requirements and

Extension of Disposition Authority Emergency Amendment Act of

2020

TYPE:

**Emergency/Temporary** 

REQUESTING OFFICE: Councilmember Charles Allen

## Conclusion

The emergency/temporary legislation would not have an adverse impact on the District's fiscal year 2020 budget or four-year financial plan.

The disposition of this property will reduce the District's capital assets by approximately \$13,000, but assets are not included in the budget and financial plan and therefore this disposition will not have a fiscal impact.<sup>1</sup>

## **Background**

The emergency/temporary legislation relates to the property located at 1336 8<sup>th</sup> Street, N.W., which for tax and assessment purposes is known as Lot 68 in Square 399. The property is owned by the District of Columbia and has a use code of a special purpose parking lot.

The emergency/temporary legislation has two main components. First, the legislation establishes the affordable housing requirements for developing the real property. The developers that DMPED selected for the project, Roadside Development and Dantes Partners, LLC proposed purchasing the property from the District for \$1 million and building a mixed-use development at

Office of the Chief Financial Officer, 2018, Fiscal Impact Statement – Extension of Time to Dispose of 8th & O Streets, N.W., Amendment Act of 2018, (Washington, D.C.: Government of the District of Columbia), http://app.cfo.dc.gov/services/fiscal\_impact/pdf/spring09/FIS%20Extension%20of%20Time%20to%20Dispose.pdf.

the site with approximately 85 residential units, of which 30 percent would be affordable units.<sup>2</sup> The emergency/temporary legislation sets aside half of the affordable units for low-income households that earn 30 to 50 percent of the Area Median Income (AMI) and the other half for moderate-income households that make 50 to 80 percent of the AMI.

The Washington Metropolitan Statistical Area Median Family Income (MFI) previously referred to as AMI are adjusted for household size. In 2019, the maximum annual income for a four-person household was \$36,400 at 30 percent MFI; \$60,650 at 50 percent MFI; and \$97,050 at 80 percent MFI.<sup>3</sup>

Second, the legislation extends the deadline at which the District may dispose of this real property to December 31, 2020 from February 2, 2020. The approval of a disposition of real property by the Council expires two years after the effective date of permanent legislation, although the Council may grant extensions.

This is not the first time that the Council has extended the disposition deadline for 1336 8<sup>th</sup> Street, N.W. In 2016, Council approved the "8<sup>th</sup> & O Street, N.W., Disposition Approval Resolution of 2016" that authorized the Mayor to dispose of the property within two years after the resolution's effective date, or February 2, 2018.<sup>4</sup> In 2018, the Council enacted emergency, temporary, and permanent legislation to again extend the disposition. The emergency legislation extended the deadline to May 1, 2018; the temporary legislation extended it to December 6, 2018; and the permanent extended it to February 2, 2020.<sup>5</sup>

<sup>&</sup>lt;sup>2</sup> Committee on Business and Economic Development, 2018, Report on Bill 22-0653, the "Extension of Time to Dispose of 8th and O Streets, N.W., Act of 2018" (Washington, D.C.: Council of the District of Columbia), http://lims.dccouncil.us/Download/39537/B22-0653-CommitteeReport1.pdf.

<sup>&</sup>lt;sup>3</sup> Deputy Mayor for Planning and Economic Development, 2019, *Inclusionary Zoning: 2019 Maximum Income, Rent and Purchase Price Schedule* (Washington, D.C.: Government of the District of Columbia), <a href="https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/2019-6-27%20IZ-ADU%20Price%20Schedule%20-%20final%20.pdf">https://dhcd.dc.gov/sites/default/files/dc/sites/dhcd/publication/attachments/2019-6-27%20IZ-ADU%20Price%20Schedule%20-%20final%20.pdf</a>.

<sup>&</sup>lt;sup>4</sup> 8th & O Street, N.W., Disposition Approval Resolution of 2015, effective February 2, 2016 (63 DCR 1498 and Resolution 21-374).

<sup>&</sup>lt;sup>5</sup> Extension of Time to Dispose of 8<sup>th</sup> & O Streets, N.W., Emergency Act of 2018, expired May 1, 2018 (65 DCR 1362 and Act 22-240); Extension of Time to Dispose of 8<sup>th</sup> & O Streets, N.W., Temporary Act of 2018, expired December 6, 2018 (65 DCR 4799 and Law 22-89); Extension of Time to Dispose of 8<sup>th</sup> & O Streets, N.W., Act of 2018, effective February 22, 2019 (66 DCR 2881 and Law 22-209).