



MURIEL BOWSER
MAYOR

July 7, 2020

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
1350 Pennsylvania Avenue, NW
Washington, DC 20004

Dear Chairman Mendelson:

Please find enclosed for consideration and approval by the Council of the District of Columbia, pursuant to authority conferred by D.C. Official Code §10-801, the "Ferebee-Hope School Disposition Emergency Approval Act of 2020" and the "Ferebee-Hope School Disposition Approval Emergency Declaration Resolution of 2020". The emergency act and resolution would authorize the Department of General Services to lease District-owned real estate located at 3999 8th Street SE (also known as 700 Yuma Street SE), commonly known as the Ferebee-Hope School, and designated for tax and assessment purposes as Square 6124, Lot 0045 (the "Property").

The Property is located in Ward 8, in the Washington Highlands neighborhood of Southeast DC. The land area of the Property consists of approximately 10.27 acres. The Property is improved with a 193,000 square foot school facility, a 33,000 square foot recreation center, athletic fields, a playground, athletic courts and other improvements. The District has not used the Property as a District of Columbia public school since 2013, although portions of the school building have been used as swing space by the District of Columbia Public Schools ("DCPS").

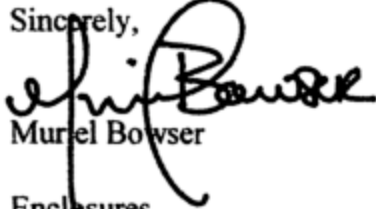
On July 9, 2019, a surplus public hearing took place and on November 11, 2019 a disposition public hearing took place, each at the Ferebee-Hope School site.

On August 29, 2019, the Office of the Deputy Mayor for Education and DGS issued a solicitation to identify a charter school to utilize the Property. There was one (1) offer in response to the solicitation, submitted by KIPP D.C. Public Charter Schools. KIPP DC is one of the District's most established Local Education Agencies, operating 16 schools and serving over 6,000 students. KIPP DC's schools perform well on all performance metrics and its current high school in Ward 5 is a Tier 1 school. KIPP DC has been successfully educating students in the DC area since 2001 and has a history of successful construction projects in former DCPS facilities.

Based on the foregoing, the Property was awarded to KIPP DC. KIPP DC will redevelop the Property at an estimated cost of \$88,300,000.

I urge the Council to take prompt and favorable action on the proposed emergency act and resolution. If you have any questions, please contact Keith A. Anderson, Director, Department of General Services, at (202) 727-2800.

Sincerely,

A handwritten signature in black ink, appearing to read "Muriel Bowser". The signature is stylized with a large, looping initial "M" and a long, sweeping underline that extends to the right.

Muriel Bowser

Enclosures



Chairman Phil Mendelson
At the request of the Mayor

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A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To approve, on an emergency basis, the disposition of District-owned real property located at 3999 8th Street SE (also known as 700 Yuma Street SE) in Washington, D.C., known for tax and assessment purposes as Square 6124, Lot 0045.

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

That this act may be cited as the “Ferebee-Hope School Disposition Emergency Approval Act of 2020”.

Sec. 2. Definitions.

For purposes of this act, the term:

(1) “Lessee” means KIPP D.C. Public Charter Schools, a District of Columbia non-profit corporation, with a business address of 2600 Virginia Avenue NW.

(2) “Property” means the real property located at 3999 8th Street SE (also known as 700 Yuma Street SE) in Washington, D.C., known for tax and assessment purposes as Square 6124, Lot 0045.

Sec. 3. Approval of disposition.

(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 (“Act”), approved August 5, 1939 (53 Stat. 1211; D.C. Official Code § 10-801), the Mayor transmitted to the Council

33 a request for approval of the disposition of the Property and all required documentation
34 (the Ferebee-Hope School Disposition Approval Resolution of 2020, introduced on June
35 18, 2020 (PR23-0838)).

36 (b) The Council approves the disposition of the Property.

37 Sec. 4. Fiscal Impact Statement.

38 The Council adopts the fiscal impact statement of the Office of the Chief Financial
39 Officer as the fiscal impact statement required by section 4a of the General Legislative
40 Procedures Act, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-
41 301.47a).

42 Sec. 5. Effective Date.

43 This act shall take effect following approval by the Mayor (or in the event of veto
44 by the Mayor, action by the Council to override the veto), and shall remain in effect for no
45 longer than 90 days, as provided for emergency acts of the Council of the District of
46 Columbia in section 412(a) of the District of Columbia Home Rule Act, approved
47 December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

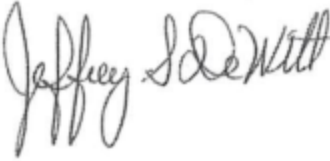
Government of the District of Columbia
Office of the Chief Financial Officer



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: July 1, 2020

SUBJECT: Fiscal Impact Statement – Ferebee-Hope School Disposition Emergency Approval Act of 2020

REFERENCE: Draft bill provided to the Office of Revenue Analysis on June 25, 2020

Conclusion

Funds are sufficient in the fiscal year 2020 budget and proposed fiscal year 2021 through 2024 budget and financial plan to implement the bill. The proposed disposition agreement will increase local fund revenue by \$661,000 in fiscal year 2021 and \$1.3 million over the four year plan.

Background

The bill authorizes the Mayor to dispose of the property housing the Ferebee-Hope School and Recreation Center located at 3999 8th Street S.E.¹ The Department of General Services intends to enter into a 50 year ground lease with KIPP DC Public Charter Schools to redevelop the property for use as a charter school and a new recreation center. KIPP DC will finance and construct the entire project in return for a full rent abatement for the first 38 years of the lease. However, rent will be due in the amount of \$660,864 per year during construction. KIPP DC will operate and maintain the charter school building and the District will operate and maintain the recreation center.

KIPP DC Public Charter schools must sign a First Source² Agreement with the District and use Certified Business Enterprises for at least 35 percent of the contract dollar volume of any redevelopment of the property and 20 percent equity and development participation.

¹ Also known as 700 Yuma Street, S.E. and known for tax and assessment purposes as Square 6124, Lot 45.

² First Source Employment Agreement Act of 1984, effective June 29, 1985 (D.C. Law 5-93; D.C. Official Code § 2-219.03)

The Honorable Phil Mendelson

FIS: "Ferebee-Hope School Disposition Approval Emergency Act of 2020," Draft bill shared with the Office of Revenue Analysis on June 25, 2020.

Financial Plan Impact

Funds are sufficient in the fiscal year 2020 budget and proposed fiscal year 2021 through 2024 budget and financial plan to implement the bill. The proposed disposition agreement will increase local fund revenue by \$661,000 in fiscal year 2021 and \$1.3 million over the four year plan. There is currently a Verizon cell tower on the property that generates \$60,000 in rent payments to the District, but the District and Verizon can terminate the agreement at any time. DGS is working with Verizon to determine agreeable next steps for the tower.

A long-term lease with KIPP DC has not been finalized, but under the draft term sheet, rent obligations total \$132 million over 50 years, with a total of \$85 million in abatements covering the first 38 years. Rent will be due in the amount of \$660,864 per year during construction.

Local fund Revenues Fiscal Year 2021 - Fiscal Year 2024 (\$000s)					
	FY 2021	FY 2022	FY 2023	FY 2024	Total
Rent from KIPP	\$661	\$661	\$0	\$0	\$1,320
Change in local fund revenue	\$661	\$661	\$0	\$0	\$1,320

DGS expects the cost of maintaining the new center will be equivalent to the cost of maintaining the existing recreation center, which is already budgeted in the DGS facilities maintenance program.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL



Legal Counsel Division

MEMORANDUM

TO: Ronan Gulstone
Director
Office of Policy and Legislative Affairs

FROM: Brian K. Flowers
Deputy Attorney General
Legal Counsel Division

DATE: June 25, 2020

RE: Ferebee-Hope School Disposition Emergency Approval Act of 2020
(AE-20-355B)

This is to Certify that this Office has reviewed the legislation entitled the “Ferebee-Hope School Disposition Emergency Approval Act of 2020” and the “Ferebee-Hope School Disposition Approval Emergency Declaration Resolution of 2020” and determined that the bill and resolution are legally sufficient. If you have any questions, please do not hesitate to call me at 724-5524.

Brian K. Flowers

Brian K. Flowers