

AN ACT

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

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To declare as surplus and approve the disposition of District-owned real property known as Hill East Phase II Bundle 1, located at 1900 Massachusetts Avenue, S.E., and known for taxation and assessment purposes as Lot 815 and portions of Lot 7 in Square E-1112.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Hill East Phase II Bundle 1 Surplus Declaration and Disposition Approval Act of 2022”.

Sec. 2. Definitions.

For the purposes of this act, the term:

(1) “Act” means 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 *et seq.*).

(2) “CBE Act” means the Small and Certified Enterprise Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*).

(3) “Certified Business Enterprise” means a business enterprise or joint venture certified pursuant to the Small and Certified Enterprise Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*).

(4) “Developer” means Hill East Bundle 1, LLC with a business address of 4416 East West Highway, Suite 410, Bethesda, MD 20814, which is a joint venture by and among Donatelli Development with a business address of 4416 East West Highway, Suite 410, Bethesda, MD 20814 and Blue Skye Development, LLC with a business address of 1539 7th Street, N.W., Washington, DC 20001, and its successors, assigns, or affiliates, as approved by the Mayor or permitted under the LDDA.

(5) “Fee Parcel” shall have the same meaning as set forth in the LDDA.

(6) “First Source Agreement” means an agreement with the District governing certain obligations of the Developer pursuant to section 4 of the First Source Employment Agreement Act of 1984, effective June 29, 1984 (D.C. Law 5-93; D.C. Official Code § 2-219.03), and Mayor’s Order 83-265, dated November 9, 1983, regarding job creation and employment generated as a result of the construction on the Property.

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(7) “LDDA” means the draft Land Disposition and Development Agreement submitted with this act.

(8) “Leased Parcel” shall have the same meaning as set forth in the LDDA.

(9) “Project” means for each parcel within the Property a multifamily residential building or a mixed-use building comprised of multifamily residential units above commercial or retail space.

(10) “Property” means the real property located at 1900 Massachusetts Avenue, S.E., also known as Parcels A, B-1, B-2, F-2, and G-2, which parcels are comprised of Lot 815 and portions of Lot 7 in Square E-1112 and as further defined in the LDDA.

**Sec. 3. Findings.**

(a) The District of Columbia is the owner of the Property.

(b) The Property consists of approximately 221,798 square feet of land.

(c) The Property is no longer required for public purposes.

(d) The District government and the public will benefit substantially from the disposition of the Property for private development.

(e) The Mayor, through the Office of the Deputy Mayor for Planning and Economic Development, satisfied the public hearing requirement of section 1(a-1)(4) of the Act by holding a virtual public hearing on September 2, 2020, to obtain community input on potential public uses of the real property to inform the Mayor’s determination whether the real property is no longer required for public purposes.

(f) The Mayor, through the Office of the Deputy Mayor for Planning and Economic Development, satisfied the public hearing requirement of section 1(b-2) of the Act by holding a virtual public hearing on May 20, 2021, to obtain community comment and suggestions on the proposed use of the property.

(g) Following a competitive solicitation, the Mayor, through the Office of the Deputy Mayor for Planning and Economic Development, has selected the Developer to develop the Property.

(h) The intended development for each parcel within the Property is a multifamily residential building or a mixed-use building as further described in section 2(9).

(i) The terms of the disposition of the Property include the following:

(1) The Developer shall comply with the requirements of section 402 of the National Capital Revitalization Corporation and Anacostia Waterfront Corporation Reorganization Act of 2008, effective March 26, 2008 (D.C. Law 17-138; D.C. Official Code § 2-1226.02), and section 1(b-3) the An Act by dedicating at least 30% of the residential units in the Project as affordable housing units.

(2) The Developer shall enter into an agreement that shall require the Developer to, at a minimum, contract with Certified Business Enterprises for at least 35% of the contract dollar volume of the Project and shall require at least 20% equity and 20% development participation of Certified Business Enterprises in the Project, in accordance with section 2349a of the CBE Act and section 1(b)(6) of the Act.

(3) The Developer shall enter into a First Source Agreement.

(j) The method of disposition for each Leased Parcel shall be a ground lease of greater than 15 years and for each Fee Parcel shall be a private sale to the bidder providing the most benefit to the District, as further described in the executed term sheet and LDDA documents submitted with this act.

(k) The LDDA for the disposition of the Property shall not be inconsistent with the substantive business terms of the transaction submitted by the Mayor with this act in accordance with section 1(b-1)(2) of the Act, unless revisions to those substantive business terms are approved by the Council.

**Sec. 4. Surplus declaration and disposition approval.**

(a) Notwithstanding any other provision of law, including section 1(d) of the Act, the Council determines that the Property is no longer required for public purposes and approves the disposition of the Property by the Mayor.

(b) The authority of Mayor to dispose of the Property pursuant to this act shall expire 5 years after the effective date of this act.

**Sec. 7. Fiscal impact statement.**

The Council adopts the fiscal impact statement in the committee report as the 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).

**Sec. 8. Effective date.**

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.

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Chairman  
Council of the District of Columbia

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Mayor  
District of Columbia