

2014 MAY 30 PM 3: 42 OFFICE OF THE SECRETARY

VINCENT C. GRAY

MAY 30 2014

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

Dear Chairman Mendelson:

Enclosed for consideration by the Council is a proposed resolution entitled the "Stevens School Surplus Declaration and Approval Resolution of 2014". This resolution will declare the former Thaddeus Stevens School site, located at 1050 21st Street, N.W. in Ward 2 (the "Stevens School") as no longer required for public purposes, pursuant to D.C. Official Code §10-801.

The Stevens School is located on an L-shaped lot of approximately 30,620 square feet in total land area, which contains the approximately 41,800 square foot historic Stevens School Building and a former playground. The Stevens School building was constructed in 1868 was named after the Pennsylvania Congressman and abolitionist Thaddeus Stevens. The Stevens School was originally built for African-American students and was the oldest surviving elementary school in the District of Columbia and remained a school until it closed in 2008. The building was added to the DC Inventory of Historic Sites in 1972 and then designated a National Historic Landmark in 2001.

As required by law, a public meeting was held in the community on March 12, 2014 at the Charles Sumner School Museum and Archives to receive public comment on the proposed surplus of the Property. The affected ANC, ANC-2A, was provided advanced written notice on February 10th, 2014 and notice of the public meeting was published in the District of Columbia Register on February 21st, 2014.

Approval of this resolution will declare the Property surplus and allow for the disposition to a private developer for the redevelopment of the site, including the rehabilitation of the historic school. As always, I am available to discuss any questions you may have regarding this resolution. I look forward to prompt and favorable consideration of this resolution.

Sincerely,

Jucent C. Chay

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Chairman Phil Mendelson at the request of the Mayor

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7	A PROPOSED RESOLUTION
8	ATROTOSED RESOLUTION
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11	IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
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15	To declare and approve as surplus the District-owned real property, formerly the Stevens
16	School, located at 1050 21 <sup>st</sup> Street, N.W., and known for tax and assessment
17	purposes as Lot 0876 in Square 0073.
18	
19	RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That
20	this resolution may be cited as the "Stevens School Surplus Declaration and Approval
21	Resolution of 2014".
22	Sec. 2. Findings.
23	(a) The Property is located at 1050 21 <sup>st</sup> Street, N.W., known for tax and
24	assessment purposes as Lot 0876 in Square 0073 (the "Property"), and is comprised of a
25	vacant building of approximately 41,800 square foot and 30,620 square feet of land.
26	(b) The Property is no longer required for public purposes because the
27	condition of the vacant building cannot viably accommodate a District agency use or
28	other public use without cost prohibitive rehabilitation of the historic structure and new
29	construction. The most pragmatic solution for reactivating this space is to declare the
30	Property surplus and dispose of the Property for redevelopment.
31	(c) Pursuant to An Act Authorizing the sale of certain real estate in the
32	District of Columbia no longer required for public purposes ("Act"), approved August 5,

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1	1939 (53 Stat. 1211; D.C. Official Code § 10-801 (a-1)(4)), a public hearing was held on
2	March 12, 2014, at the Charles Sumner School Museum and Archives located at 1201
3	17 <sup>th</sup> Street N.W., regarding the finding that the Property is no longer required for public
4	purposes.
5	Sec. 3. Pursuant to D.C. Official Code §10-801 (a-1), the Council determines that
6	the Property is no longer required for public purposes.
7	Sec. 4. Fiscal impact statement.
8	The Council adopts the attached fiscal impact statement as the fiscal impact
9	statement required by section 602 (c)(3) of the District of Columbia Home Rule Act,
10	approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02 (c)(3)).
11	Sec. 5. Transmittal of resolution.
12	The Secretary to the Council shall transmit a copy of this resolution, upon its
13	adoption, to the Mayor.
14	Sec. 6. Effective date.
15	This resolution shall take effect immediately.

#### SURPLUS ANALYSIS

Project Name: Project Address: Property Description: Size of Property: Zoning of Property: Ward: The Historic Thaddeus Stevens School 1050 21st Street, N.W., Washington, DC Square: 0073, Lot(s): 0876 (the "Property") Lot size is approximately 30,620 square feet C-3-C Ward 2

1. History of the Property: description of the Property (including approximate square footage, description of any structure/improvements on the Property and whether such structure/improvements are historically landmarked, and any available parking on and off the Property), how and when the District acquired the Property; the terms of the acquisition; a description of the Property's former and current use; and, if the Property includes improvements and is currently being used, whether the improvements are occupied.

The Property is located at 1050 21st Street, N.W., Washington, DC, in Ward 2 and identified for taxation and assessment purposes as Lot 0876 in Square 0073. The Property consists of an L-shaped lot of approximately 30,620 square feet in total land area, which contains the approximately 41,800 square foot historic Stevens School Building and a playground. The Property does not contain a defined parking lot.

The Stevens School building was constructed in 1868 and is still owned by the District of Columbia. The school was named after the Pennsylvania Congressman and abolitionist Thaddeus Stevens, and was originally built for African-American students. It was the oldest surviving elementary school in the District of Columbia and remained a school until it closed in 2008. The building is currently vacant.

The school building was enlarged in 1885 and again in 1895/6. The Thaddeus Stevens School building was added to the DC Inventory of Historic Sites in 1972 and then designated a National Historic Landmark (by the National Parks Service) in 2001.

The title report prepared for the District stated that the preparer was unable to find any records of how the lots for the school itself were acquired by the District, but the lots that comprise the school yard were acquired in the early 1930's from various private parties for a total consideration of \$38,200.

## 2. Describe the surrounding neighborhood, including the following information: What does the neighborhood offer in terms of housing, shopping, recreation, and commercial space?

The Property sits at the corner of 21<sup>st</sup> and L Streets N.W., in Ward 2. It is in the Central Business District (CBD) within close proximity to offices, hotels, and mid-rise residences. The majority of the surrounding land use is commercial, mid- to high-rise offices with street-level retail. Additionally, the property is also close to George Washington University.

The CBD and the nearby West End neighborhood have experienced a significant amount of redevelopment of underutilized sites as well as renovation and conversation of older office and residential properties. Additionally, there has been an increase in high-density, multi-family residential buildings over the last few years due to the prime location and proximity to Downtown DC, the Georgetown neighborhood, George Washington University, and the Kennedy Center for Performing Arts. The CBD contains many large commercial office buildings, retail, and restaurants. During the past decade, the CBD has seen an increase in the quality of new and renovated Class A commercial buildings. Many of these structures contain unique design elements, elaborate glass curtain walls, and have been awarded LEED certification based on extensive sustainable features.

K Street N.W. (just south of the site), is a highly-trafficked avenue running east and west and is the District's premiere commercial corridor for businesses, law firms, and lobbying firms. This well-known avenue is a central amenity and considered to be a first-class destination.

The location of the Property offers excellent automobile and mass transit access. With regard to mass transit options, the Foggy Bottom and Farragut North and West Metrorail stations are within a half mile of the Property offering access to the Red, Orange and Blue lines. Additionally, there are major bus lines that connect the Property to the District's other commercial corridors and residential neighborhoods.

#### No Necessary District Use. D.C. Code § 10-801(a-1)(2)(A).

#### a. Please describe allowable future uses for the subject property.

The Property is zoned C-3-C and has a lot size of approximately 30,620 square feet. This zoning district addresses the downtown core, which is comprised of retail and office centers for the District of Columbia and the metropolitan area. The C-3-C zoning district Permits matter-of-right development for major business and employment centers of medium/high density development, including office, retail, housing, and mixed uses to a maximum lot occupancy of 100%, a maximum floor area ratio ("FAR") of 6.5 for residential and for other permitted uses, and a maximum height of ninety (90) feet. Due to the historic designation of the exterior of the Property, the total buildable zoning floor area is subject to requirements by the Historic Preservation Review Board.

Page 2 of 6

The Historic Franklin School Building

b. How were other District facility needs considered? Please explain if the Property has any viable District use or why the Property has no viable use by the District, including the process for making the determination not to implement the viable District use or that the Property has no viable use by the District.

Based on various public discussions and technical analyses, the District identified various former District of Columbia Public Schools sites as appropriate for reuse and/or redevelopment into non-DCPS uses. The Property was deemed to be unsuitable to replace space currently leased by the District, but rather was determined to be more viable as a redevelopment opportunity.

Furthermore, the current condition of the improvements on the Property prohibits any District agency use or other public use absent costly renovations, which are subject to historic restrictions on renovations. The District currently has no appropriated funds to make the necessary and costly renovations. The annual maintenance costs of the vacant improvements on the Property are a drain on the District's already overburdened facilities management and maintenance budget. Additionally, annual maintenance costs do not account for major renovation projects that will be needed over time to keep the building safe, sustainable, and usable. Given the ongoing financial needs of the Property, the most pragmatic solution for reactivating this space is to declare the property surplus and, eventually, dispose of the Property for redevelopment.

### 3. Why the determination that the Property is no longer required for public purposes is in the best interest of the District. DC Code § 10-801(a-1)(2)(B).

#### a. Please describe most viable and reasonable future use(s) for the Property.

The Development Parcel is designated on the Comprehensive Plan Future Land Use Map for "High Density Commercial" development. This designation typically applies to the central employment district of the District and other major office employment centers on the downtown perimeter. Therefore, this designation typically anticipates residential, office, hotel, or other commercial or mixed use development. The 2006 Comprehensive Plan Generalized Policy Map indicates that this Development Parcel is adjacent to the Central Employment Area, which is "the business and retail heart of the District and metropolitan area". This area has the widest variety of commercial uses, including but not limited to, major government and corporate offices, retail, cultural, and entertainment uses; and hotels, restaurants, and other hospitality uses.

The Development Parcel is within the boundaries of the Center City Action Agenda, 2008, which emphasized the continued development of the downtown as welcoming, well connected, distinctive, and sustainable through the creation of great places for DC residents to work, live, and shop. In addition to conformance with the 2006 Comprehensive Plan Generalized Policy Map and The Comprehensive Plan,

Page 3 of 6

developments that activate the street; and which further sustainability, walkability, and livability in creative ways, are encouraged.

Consistent with the District's Comprehensive Plan as well as the preferences expressed by the community stakeholders, the most likely outcome is a rehabilitated school building for an educational user and a mixed-use development including commercial and retail components.

The current vacant status of the Property is detrimental to the tax base of the District as it currently does not produce any taxes whatsoever. Furthermore, there are no identified funds available to successfully rehabilitate the building so it can be usable.

# b. Please describe what potential uses of the Property would be in the best interest of the District (economic, social, educational, provision of affordable housing potential).

The Property is currently underutilized and provides no property and sales tax revenue to the District of Columbia. The District can therefore improve the value of the Property to the District by declaring the Property surplus to facilitate disposition and redevelopment of the property in the future. A private redevelopment of the Property would generate additional property and sales taxes revenue for the District, activate an underutilized site on 21<sup>st</sup> Street NW and one on L Street NW, and create construction jobs as well as permanent high-skilled fulltime jobs.

The renovation of the historic Stevens School for an education user would preserve the historical integrity of the Property and provide additional educational resources for the District of Columbia.

#### 4. Public Outreach and Comment. DC Code § 10-801(a-1)(2)(C).

## a. What specific outreach was done to solicit community input on the proposed surplusing of the Property, including any outreach conducted in addition to the public hearing required under DC Code § 10-801(a-1)(2)(C) ?

A public meeting to solicit community input on the proposed declaration of the Property as "Surplus" was held on March 12, 2014 at the Charles Sumner School (1201 17th Street N.W.). The affected ANC, ANC-2A, was provided advanced written notice on February 10<sup>th</sup>, 2014 and notice of the public meeting was published in the District of Columbia Register on February 21<sup>st</sup>, 2014.

#### b. Summary of Public Hearing on Surplus

#### 1. Hearing Date and Location:

Date:

Wednesday March 12, 2014

Time: Location:

6:30pm h: Charles Sumner School Museum and Archives 1201 17<sup>th</sup> Street NW Washington, DC 20036

#### 2. Approximate Number of Attendees:

2 community members were in attendance. There were no Commissioners present from ANC-2A. There were 5 employees from DMPED in attendance, including Anna Shapiro, Ayesha Abbasi, Will Lee, and Marc Bleyer.

#### 3. Summary of Public Comments:

The meeting began at 6:40pm. Anna Shapiro provided the audience with introductions, the purpose of meeting, and the history of the Property. Attendees were informed of the new requirement to conduct a public meeting prior to a declaration of a property as surplus. Meeting attendees were encouraged to provide feedback regarding the proposed declaration of the property as surplus and that the record would be open until March 24<sup>th</sup> in case anyone not present wanted to submit additional comments.

Anna Shapiro then opened up the meeting to comments.

#### Public Comments on Surplus Submitted at Public Hearing

#### \*\*\* Attachment with written submissions is included. \*\*\*

#### David Suls (Golden Triangle BID) -

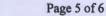
"I'm David Suls with the Golden Triangle Business Improvement District. We – our members are all the property owners and tenants and workers, basically, in the Golden Triangle BID from 16th to 21st, approximately. So that includes a number of properties owned or managed by Akridge.

They've been a great member of the Golden Triangle and we're looking forward to this to this parcel or this property being used for commercial use and, you know, adding activity to the area."

Mr. Suls also asked if additional comments would be posted online. Ms. Shapiro stated that they would be accepted until March 24<sup>th</sup> and submitted to Council with the Surplus package.

#### Sara Maddux (President of the West End Citizens Association)

"Hi. I'm Sara Maddux. I'm president of the West End Citizens Association and I believe we have submitted a statement that was going to be given by Barbara Kahlow. But she is



The Historic Franklin School Building

in sunny California right now and I thought I'd come and make sure that I'm here to represent the neighborhood to tell you about our support for all the efforts that we went through for the process of the long-term liability of Stevens School in our neighborhood. Also, that we're very sensitive to the history of Stevens School because we still have people in our neighborhood whose parents and grandparents were in that school. So we have a lot of consideration for the success of this project and I'd be more than happy to answer any questions that anybody pro or con would like to raise and I appreciate this being - the hearing being done now.

This has been a long-term thing a lot of people have put a lot of effort into and we would like for you to know that we appreciate that."

#### Public Comments on Surplus Submitted via Email (See Attached)

#### 3/12/14 Statement of Barbara Kahlow for DMPED Hearing on Stevens School in Square 73

This statement is submitted by Barbara Kahlow on behalf of the West End Citizens Association (WECA), the oldest citizens organization in the Foggy Bottom-West End area of DC. The WECA is primarily interested in maintaining and improving the quality of life for the existing residential community in Foggy Bottom-West End.

The March 12, 2014 hearing by the Deputy Mayor for Planning and Economic Development (DMPED) is about the proposed surplus of District property at 1050-21<sup>st</sup> Street, which was formerly used by the Stevens School. This property in the West End area of Ward 2 is within the boundaries of the WECA for which I serve as Secretary-Treasurer. Unfortunately, I will be out-of-town on the March 12<sup>th</sup> hearing date, which explains this written statement instead of my oral testimony.

On July 25, 2012, the Board of the WECA passed a unanimous resolution relating to development of the Stevens School property (see attached). In sum, the Board recommended IvyMount as the educational provider and supported for the development two of the bidders, both equally qualified. In addition, the WECA Board expressed concern about the absence of sufficient outdoor recreational space and recommended consideration of 2-story retail. On August 8<sup>th</sup>, the WECA submitted its resolution to DMPED. On September 12<sup>th</sup>, the Mayor chose IvyMount as the educational provider and Akridge-Argos as the development partner.

After a previous ill-fated surplus proposal process which ended in November 2010, the WECA appreciated the Mayor's September 2012 decision to redevelop the long dormant Stevens School property with the announcement of the two selected teams. The WECA supports the "surplus" categorization, especially since the redevelopment will continue to include a much needed educational use.

Thank you for considering the WECA's views.

Attachment

#### 7/25/12 WECA Resolution on Stevens School

On July 25, 2012, the Board of the West End Citizens Association (WECA) unanimously passed the following resolution relating to the Stevens School: The Board recommends IvyMount as the educational provider and either Lincoln or Donohoe as the development partner. In addition, the Board expressed concern about the absence of sufficient outdoor recreational space, especially for large numbers of students. The Board, wanting to maximize retail, recommended consideration of 2-story retail, as in the International Monetary Fund building on Penn. Ave. between 19<sup>th</sup> and 20<sup>th</sup> Streets and the former Barnes and Noble on M Street. The Board identified the following points:

#### Educational

- Support for IvyMount's filling an essential gap in DC's education of special education students, especially those with autism.
- Support for IvyMount's planned small number of 50 students, especially because of the limited outdoor play area space.
- Objection to CAPCS and GEMS plans to house 300+ or 378 students, respectively, which are too large for the Stevens footprint.
- Objection to AppleTree's plan to only use one floor of Stevens for student use, which is insufficient.
- Concern about Eagle's 226 drop-offs, including for infants in their intended birth to K population.
- Objection to GEMS' desire to develop the Stevens space on its own, i.e., without work by the development partner.

#### Development

- Objection to MRP's 130 foot height, which is too high for the area, and reduced play area space due to its proposed connection with the bank building on K Street.
- Objection to Akridge's intent "to remove part of the landmarked Stevens building in the rear" which would require a timeline delay due to the needed HPRB consideration.
- Support for Lincoln's overall plan (110', 10 stories, and the most retail s.f. even though some of it will be interior space without actually frontage on L Street).
- Support for Donohoe's overall plan (110', 10 stories, and the most retail s.f. fronting on L Street) and extensive development experience in DC.

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



Jeff DeWitt Chief Financial Officer

#### MEMORANDUM

The Honorable Phil Mendelson Chairman, Council of the District of Columbia
Jeff DeWitt Chief Financial Officer
May 22, 2014
Fiscal Impact Statement – "Stevens School Surplus Declaration and Approval Resolution of 2014"
Draft Resolution provided to the Office of Revenue Analysis on May 9, 2014

#### Conclusion

Funds are sufficient in the proposed FY 2014 supplemental budget and the proposed FY 2015 through FY 2018 budget and financial plan to implement the resolution.

#### Background

The resolution declares as surplus the District-owned property located at 1050 21<sup>st</sup> Street, N.W., commonly known as the Stevens School, and known for tax and assessment purposes as Lot 876 in Square 73. The property is currently vacant. The resolution declares that the property is no longer required for public purposes, and that it could not be used by a District agency without significant rehabilitation costs. The Mayor intends to dispose of the property to a development team consisting of the John Ackridge Development Company, The Argos Group, LLC, and the Ivymount at the Stevens School, Inc., to develop an office building and educational facility, which is addressed by a separate resolution.

#### **Financial Plan Impact**

Funds are sufficient in the proposed FY 2014 supplemental budget and the proposed FY 2015 through FY 2018 budget and financial plan to implement the resolution. Declaring the property as surplus has no impact on the District's budget and financial plan.

#### **GOVERNMENT OF THE DISTRICT OF COLUMBIA OFFICE OF THE ATTORNEY GENERAL**



Legal Counsel Division

#### MEMORANDUM

- Lolita S. Alston TO: Director **Office of Legislative Support**
- FROM: **Janet M. Robins Deputy Attorney General Legal Counsel Division**
- DATE: May 22, 2014
- SUBJECT: **Stevens School Surplus Declaration and Disposition Approval Resolutions of 2014** (AE-14-302)

### This is to Certify that this Office has reviewed the legislation entitled the

"Stevens School Surplus Declaration and Approval Resolution of 2014" and the "Stevens School Disposition Approval Resolution of 2014" and found them to be legally unobjectionable. If you have any questions, please do not hesitate to call me at 724-5524.

Janet M. Robins