

2014 NOV 26 PM 12:45  
OFFICE OF THE  
SECRETARY

VINCENT C. GRAY  
MAYOR

NOV 26 2014

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 resolution entitled the "125 O Street S.E. and 1402 1st Street S.E. Surplus Emergency Declaration Resolution of 2014".

This resolution will declare District owned real property located at 125 O Street, S.E. and 1402 1st Street, S.E. and known for tax and assessment purposes as a portion of Lot 805 in Square 744S and a portion of Lot 801 in Square 744SS and consisting of approximately 235,130 square feet of land, as no longer required for public purposes, pursuant to D.C. Official Code §10-801.


Although introduced as an emergency, the surplus declaration for this property followed the full process pursuant to D.C. Official Code §10-801, including a public hearing held on November 20, 2014 at The Yards Boilermaker Building at 300 Tingey Street, S.E.

Approval of this resolution will declare the Property surplus and allow for the disposition to a private developer to redevelop the space in a manner consistent with the Anacostia Waterfront Initiative Framework Plan, adopted by the Council in 2003.

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,

A handwritten signature in black ink that reads "Vincent C. Gray".  
Vincent C. Gray

  
Chairman Phil Mendelson  
at the request of the Mayor

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A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare and approve as surplus, on an emergency basis, the District-owned real property, located at 125 O Street, S.E. and 1402 1<sup>st</sup> Street, S.E. and known for tax and assessment purposes as a portion of Lot 805 in Square 744S and a portion of Lot 801 in Square 744SS.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That

this resolution may be cited as the “125 O Street, S.E. and 1402 1<sup>st</sup> Street, S.E.

Emergency Surplus Declaration Resolution of 2014”.

Sec. 2. Findings.

(a) The Property is located at 125 O Street, S.E. and 1402 1<sup>st</sup> Street, S.E. and known for tax and assessment purposes as a portion of Lot 805 in Square 744S and a portion of Lot 801 in Square 744SS and consisting of approximately 235,130 square feet of land, as determined by the Mayor (the “Property”). The Property is currently improved with several low-scale structures and surface parking that are used by DC Water for light industry uses in connection with their fleet services and sewer services operations.

(b) The Property is no longer required for public purposes because the Property’s condition no longer viably accommodates a District agency use or other public use. The most pragmatic solution for activating this space is to relocate the DC Water

1 parking and sewer services operations, declare the Property surplus, and dispose of the  
2 Property for redevelopment.

3 (c) The declaration of the Property as surplus will be conditioned on:

4 (1) DC Water receiving rights to occupy suitable relocation/replacement  
5 property(ies);

6 (2) Available funding for activities necessary to allow DC Water to relocate to  
7 and operate on such relocation/replacement property(ies); and

8 (3) Approval by an independent engineer procured by DC Water of an  
9 operational plan during and after relocation.

10  
11 (d) Pursuant to An Act Authorizing the sale of certain real estate in the  
12 District of Columbia no longer required for public purposes (“Act”), approved August 5,  
13 1939 (53 Stat. 1211; D.C. Official Code § 10-801 (a-1)(4)), a public hearing was held on  
14 November 20, 2014, at the Boilermaker Shops located at 300 Tingey Street, S.E., Unit  
15 140, regarding the finding that the Property is no longer required for public purposes.

16 Sec. 3. Pursuant to D.C. Official Code §10-801 (a-1), the Council determines that  
17 the Property is no longer required for public purposes.

18 Sec. 4. Fiscal impact statement.

19 The Council adopts the attached fiscal impact statement as the fiscal impact  
20 statement required by section 602 (c)(3) of the District of Columbia Home Rule Act,  
21 approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02 (c)(3)).

22 Sec. 5. Transmittal of resolution.

23 The Secretary to the Council shall transmit a copy of this resolution, upon its  
24 adoption, to the Mayor.

- 1 Sec. 6. Effective date.
- 2 This resolution shall take effect immediately.

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

Legal Counsel Division



**MEMORANDUM**

**TO:** Ayesha Abbasi  
Legal Affairs & Policy Specialist  
Deputy Mayor for Planning and Economic Development

**FROM:** Janet M. Robins  
Deputy Attorney General  
Legal Counsel Division



**DATE:** November 25, 2014

**SUBJECT:** Legal Sufficiency Review of Draft Resolutions, the “125 O Street, S.E. and 1402 1<sup>st</sup> Street, S.E. Emergency Disposition Approval Resolution of 2014”, the “125 O Street, S.E. and 1402 1<sup>st</sup> Street, S.E. Emergency Surplus Declaration Resolution of 2014”, the “125 O Street, S.E. and 1402 1<sup>st</sup> Street, S.E. Property Disposition Extension Approval Resolution of 2014”, the “125 O Street, S.E. and 1402 1<sup>st</sup> Street, S.E. Surplus Emergency Declaration Resolution of 2014”, and the “125 O Street, S.E. and 1402 1<sup>st</sup> Street, S.E. Disposition Emergency Declaration Resolution of 2014”, and the “125 O Street, S.E. and 1402 1<sup>st</sup> Street, S.E. Disposition Extension Emergency Declaration Resolution of 2014”  
(AE-14-743 B)

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This responds to your request that this Office review the above-referenced draft resolutions (resolutions) for legal sufficiency.

The bill would, pursuant to 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 *et seq.* (2012 Repl.), provide for the disposition of real property located at 125 O Street, S.E. and 1402 1st Street, S.E. consisting of approximately 235,130 square feet of land. The resolutions are consistent with the requirements of the Act for the disposition of District real property no longer needed for public purposes.

The resolutions are legally sufficient.

I have attached a certificate of legal sufficiency for your use. Please be reminded that you must secure a fiscal impact statement from the Office of the Chief Financial Officer at least before the Council takes final action on the bill.

Should you have questions regarding this memorandum, please contact either Pollie H. Goff, Senior Assistant Attorney General, Legal Counsel Division, at 724-5558, or me at 724-5524.

JMR/phg

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE ATTORNEY GENERAL

Legal Counsel Division



MEMORANDUM



**TO:** Lolita S. Alston  
Director  
Office of Legislative Support

**FROM:** Janet M. Robins  
Deputy Attorney General  
Legal Counsel Division

**DATE:** November 25, 2014

**SUBJECT:** Certification of Legal Sufficiency of Resolutions, the "125 O Street, S.E. and 1402 1st Street, S.E. Emergency Disposition Approval Resolution of 2014", the "125 O Street, S.E. and 1402 1st Street, S.E. Emergency Surplus Declaration Resolution of 2014", the "125 O Street, S.E. and 1402 1st Street, S.E. Property Disposition Extension Approval Resolution of 2014", the "125 O Street, S.E. and 1402 1st Street, S.E. Surplus Emergency Declaration Resolution of 2014", and the "125 O Street, S.E. and 1402 1st Street, S.E. Disposition Extension Emergency Declaration Resolution of 2014", and the "125 O Street, S.E. and 1402 1st Street, S.E. Disposition Extension Emergency Declaration Resolution of 2014"  
(AE-14-744 B)

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**This is to Certify that** this Office has reviewed the above-referenced legislation and has found it to be legally sufficient. If you have any questions regarding this certification, please do not hesitate to contact me at 624-5524.

A handwritten signature in black ink, appearing to read "JMR/c. Park".

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Janet M. Robins

## SURPLUS ANALYSIS

**Project Name:** DC Water Sites  
**Property Description:** Portions of Square 744S, Lot 805 and Square 744SS, Lot 801; 125 O Street, S.E. and 1402 First Street, S.E. (the "Property")  
**Size of Property:** 235,130 Square Feet  
**Zoning of Property:** CG/CR and CG/W-1 (Planned Unit Development 13-05)  
**Ward:** Ward 6  
**Proposed Purchaser:** Forest City Washington, Inc. or its permitted successors/assigns

- 1. History of Parcel: description of parcel (including approximate square footage, description of any structure/improvements on the parcel and whether such structure/improvements are historically landmarked, and any available parking on and off the parcel), how and when the District acquired this property; the terms of the acquisition; a description of the property's former and current use; and, if the improvements are occupied.**

The Property (as fully depicted in Attachment 1 hereto) is located in the Capital Riverfront neighborhood of Southeast Washington D.C., immediately adjacent to both Nationals Stadium and Forest City's "The Yards" project. The Property is bounded by N Place, S.E. to the north, First Street, S.E. to the west; Diamond Teague Park and the Anacostia River to the south; and DC Water facilities to the east.

The Property is 235,130 square feet (approximately 5.4 acres) and currently consists of a variety of light industrial uses associated with DC Water fleet services and sewer services operations. The Property is and has been historically owned by the District of Columbia and utilized by DC Water for its fleet service and sewer service operations. Currently this operation consists of various low-scale structures and surface parking. The only existing building on the Property that has been deemed to have historic significance is the Fleet Maintenance building on the northwest portion of the Property. The Property was under the purview of the Anacostia Waterfront Corporation during the existence of that entity, and has since become part of the Office of the Deputy Mayor for Planning and Economic Development (DMPED) portfolio.

It is important to note that due to the unique status of the Property as the current site for certain DC Water functions that is planned for future redevelopment, the enclosed surplus resolution specifically makes the surplus designation of the Property subject to three conditions, specifically the declaration of the Property as surplus will be conditioned on:

1. DC Water receiving rights to occupy suitable relocation/replacement property(ies);
2. Available funding for activities necessary to allow DC Water to relocate to and operate on such relocation/replacement property(ies); and
3. Approval by an independent engineer procured by DC Water of an operational plan during and after relocation.



The District of Columbia is working with DC Water to procure suitable relocation sites. Specifically, a suitable site in Prince George’s County, Maryland has been identified and is under contract to DC Water for relocation of fleet service operations. The District continues to work with DC Water on identification of a suitable site for sewer service operations and has remaining existing capital funding in the amount of just under \$14,000,000 to support these efforts.

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

The Capitol Riverfront, a 500-acre neighborhood, features one and a half miles of river frontage stretching north to the U.S. Capitol. The Capitol Riverfront is located around the Navy Yard Metro and within walking distance to Capitol South Metro and Eastern Market Metro. Some of the prominent landmarks include the U.S. Navy Yard, the U.S. Department of Transportation Headquarters, Nationals Park, Capitol Quarter Townhouse community, Diamond Teague Park, Half Street entertainment district, and The Yards.

Historically the Capitol Riverfront was anchored by the Washington Navy Yard, the longest continually operating naval facility in the country. A 1995 Base Realignment and Closure (BRAC) decision by the Federal Government to consolidate NAVSEA operations to the Navy Yard refocused attention on the Capitol Riverfront. In 2003 the City began to re-engage the river and the Capitol Riverfront neighborhood with the Anacostia Waterfront Initiative (AWI). The AWI, adopted by then Mayor Williams and the District Council, is a framework plan to advance the Anacostia River’s clean-up, identify opportunities to increase access to the river, target areas for new development and pioneer innovative green practices in new development. Since the AWI Plan, the Capitol Riverfront has benefited from significant public and private sector investments. The neighborhood has seen over \$1 billion in public investment that has leveraged over \$2 billion of private sector investment.

The Capitol Riverfront is currently developed as a mixed-use neighborhood with over 32,000 daytime employees in 7.3 million SF of office including the Washington Navy Yard and U.S. Department of Transportation, 3,000+ residential units including apartments, condos, co-ops and townhouses with an estimated residential population of 4,100 people, a 204-room Courtyard by Marriott, the 41,000 seat Nationals Park baseball stadium, and a continuous one mile riverwalk trail from Diamond Teague Park to the 11th Street bridges. An estimated 2.8 million people visited the Capitol Riverfront during the 2013 calendar year to attend events at Nationals Park, the Navy Museum, and the Yards Park. Below is a development summary of the Capitol Riverfront:

**Development Summary (via Capitol Riverfront BID)**

	<b>Estimated Delivery Office Sq.Ft.</b>	<b>Retail Sq. Ft.</b>	<b>Residential Units</b>	<b>Hotel Rooms</b>	<b>Total Sq. Ft.</b>
Existing/Completed	7,353,510	288,000	3,263	204	12,367,000
Under Construction	0	71,000	1,611	165	1,833,000
Planned	7,251,780	620,000	7,104	1,086	21,500,000
<b>Totals</b>	<b>14,605,290</b>	<b>979,000</b>	<b>11,978</b>	<b>1,455</b>	<b>35,700,000</b>

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

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

The underlying zoning for the Property is CG/W-2, which would allow a mix of medium-density residential, commercial and light industrial uses in accordance with the Capitol Gateway overlay zone; however, the Anacostia Waterfront Initiative Framework Plan determined that the Property best serves as an important development link for overall redevelopment of the Capitol Riverfront. The District of Columbia Comprehensive Plan and Future Land Use Map designate the Property in the Medium Density Residential/Medium Density Commercial land use category. Further, the Property is designated as a Land Use Change area in the Generalized Policy Map, encouraging a change in use of the Property from its current light-industrial nature to a denser, mixed-use commercial use. The District of Columbia Zoning Commission and the District of Columbia Office of Planning performed detailed analysis of the future uses for the Property as part of PUD 13-05, in which the Zoning Commission approved the Property for mixed-use commercial and residential redevelopment in accordance with the aforementioned planning documents.

***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.***

The primary District facility needs considered related to the continued use of the Property as the site for DC Water operations described above while identification of suitable relocation sites are identified and procured and other relocation activities take place. The Property will continue to be use for such facilities until such relocation sites are identified, procured and utilized. The District, Proposed Purchaser and DC Water have worked on a relocation plan that would relocate DC Water operations and allow redevelopment in phases.

Beyond accommodations related to the continued use of the Property by DC Water, the Department of Real Estate Services (“DRES”), Office of the City Administrator (“OCA”) and Office of the Deputy Mayor for Planning and Economic Development (“DMPED”) reviewed the Property’s potential uses established under the District’s Comprehensive Plan and applicable zoning restrictions to determine how best to implement the District’s Facilities Plan. After considering the factors set out in the District’s needs under the District’s Facilities Plan and potential uses under the Comprehensive Plan, DRES deemed the Property to be unsuitable and not viable to replace space currently leased by the District. Given that the site has an industrial history and is currently improved with surface parking and various low-scale industrial structures, the District has determined that ground-up development for District facility needs is not feasible nor the highest and best use for the Property in light of overall District goals for the Property and the surrounding neighborhood.

Notwithstanding the foregoing, the District has determined that it can implement public goals of expanded open space/park area and transportation infrastructure as part of future uses.

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

***c. Please describe most viable and reasonable future use(s) for the subject property.***

Given the determinations made by the Zoning Commission and the Office of Planning under Anacostia Waterfront Initiative Framework Plan and the District of Columbia Comprehensive Plan, DMPED concluded that the Property can serve as an important link in the redevelopment of the Capitol Riverfront neighborhood by providing additional mixed-use commercial development that leverages the ongoing public and private investments in the neighborhood as a mixed-use destination. Specifically, as a large publicly owned site, the Property can offer unique potential for development as an additional destination entertainment/commercial use as well as significant residential and affordable residential development.

***a. 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).***

See above. As a large publicly owned site, the Property can offer unique potential for development as an additional destination entertainment/commercial use as well as significant residential and affordable residential development. In this way, the Property can be best used as a key site for destination entertainment/commercial uses and affordable residential development that might not otherwise be delivered in the Capitol Riverfront neighborhood.

**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 surplus and disposing of the current property, including any outreach conducted in addition to the public hearing required under DC Code § 10-801(a-1)(2)(C).***

The disposition and development of the Property received extensive community input as part of Planned Unit Development 13-05, which received final Zoning Commission approval on February 7, 2014 ("PUD"). The PUD process lasted approximately one year and included numerous public meeting with Advisory Neighborhood Commission members and before the Zoning Commission itself.

In addition to the extensive outreach and community input solicited as part of the PUD process, DMPED representatives attended the monthly ANC 6D meeting on September 8, 2014 to specifically explain the surplus process for the Property. A public meeting to solicit community input on the proposed surplus of the Property was held on November 20, 2014 at The Yards Boilermaker Building located at 300 Tingey Street, S.E. ANC 6D, as well as other interested stakeholders including DC Water and Capitol Riverfront BID, were provided advanced written notice on October 20, 2014 and notice of the public meeting was published in the District of Columbia Register on October 31, 2014. ANC 6D passed a resolution to support the surplus designation of the Property which should be submitted concurrently into the Council record.

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

**Meeting Date and Location:**

Property: Portions of Square 744S, Lot 805 and Square 744SS, Lot 801; 125  
O Street, S.E. and 1402 First Street, S.E.  
Date: November 20, 2014  
Time: 6:30 p.m.  
Location: The Yards Boilermaker Building  
300 Tingey Street, S.E.  
Washington, D.C. 20003

**Approximate Number of Attendees:**

2 members of the development team

**Summary of Public Comments:**

No public comments were offered at the Public Meeting on surplus. The record for public comment was left open until November 25, 2014, and no additional comments were received.

# Existing Condition





GOVERNMENT OF THE DISTRICT OF COLUMBIA  
Executive Office of the Mayor  
Office of the Deputy Mayor for Planning and Economic Development



TO: Sam Merrero, ANC 6D01  
Stacy Cloyd, ANC 6D02  
Rachel Reilly Carroll, ANC 6D03  
Andy Litsky, ANC 6D04  
Roger Moffatt (Chairperson), ANC 6D05  
Rhonda Hamilton, ANC 6D06  
David Garber, ANC 6D07

CC: Councilmember Tommy Wells, DC Council, Ward 6  
Charles Allen, Chief of Staff, Office of Councilmember Tommy Wells  
Naomi Mitchell, Community Liaison, Office of Councilmember Tommy Wells

From: Joseph P. Lapan, Project Manager 

Date: October 20, 2014

As you may be aware, the District of Columbia is working with a developer to redevelop the the DC Water sites, located at 125 O Street, S.E. and 1402 First Street, S.E.<sup>1</sup> ("Property"), into a mixed-use development. As part of the redevelopment process, the Property must be declared surplus by the D.C. Council. Declaring a property surplus means that it is not required for a future public purpose; although in this case because DC Water will continue to occupy the Property while development is ongoing, declaration of the Property as surplus will be conditioned on (i) DC Water receiving rights to occupy suitable relocation/replacement property(ies), (ii) available funding for activities necessary to allow DC Water to relocate to and operate on such relocation/replacement property(ies) and (iii) approval by an independent engineer procured by DC Water of an operational plan during and after relocation.

The District will conduct a public meeting to receive comments on the proposed designation of the Property as surplus property (subject to the aforementioned conditions). The surplus meeting is held in order to receive feedback from the community on the District's finding that the Property is not required for public purposes in the future. Comments collected at the public meeting will be submitted to the D.C. Council for their review. In addition, the Office of the Deputy Mayor for Planning and Economic Development will accept written comments until November 25, 2014. The surplus meeting is conducted pursuant to D.C. Official Code §10-801. Below, please find the date, time and location of the meeting:

Date: Thursday, November 20, 2014  
Time: 6:30 pm  
Location: Boilermaker Building, The Yards  
300 Tingey Street, S.E., Unit 140 (adjacent to Nando's Peri Peri)  
Washington, D.C. 20003

Please feel free to contact me at (202) 374-6173 should you have any questions or comments.

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<sup>1</sup>Consisting of portions of Lot 805 in Square 744S and Lot 801 in Square 744SS

**OFFICE OF THE DEPUTY MAYOR FOR  
PLANNING AND ECONOMIC DEVELOPMENT**

**NOTICE OF PUBLIC MEETING REGARDING  
SURPLUS RESOLUTION PURSUANT TO D.C. OFFICIAL CODE §10-801**

The District will conduct a public meeting to receive public comments on the proposed surplus of District property. **Please note that written comments will be accepted until Tuesday, November 25<sup>th</sup>, 2014.** The date, time and location shall be as follows:

- Property:** “DC Water Sites”  
125 O Street, S.E. and 1402 First Street, S.E.  
Portions of Lot 805 in Square 744S and Lot 801 in Square 744SS
- Date:** Thursday, November 20, 2014
- Time:** 6:30 p.m.
- Location:** Boilermaker Building, The Yards  
300 Tingey Street, S.E., Unit 140 (adjacent to Nando’s Peri Peri)  
Washington, DC 20003
- Contact:** Joseph Lapan, [Joseph.Lapan@dc.gov](mailto:Joseph.Lapan@dc.gov)

Because DC Water will continue to occupy the Property while pre-development is ongoing, declaration of the Property as surplus will be conditioned on (i) DC Water receiving rights to occupy suitable relocation/replacement property(ies), (ii) available funding for activities necessary to allow DC Water to relocate to and operate on such relocation/replacement property(ies) and (iii) approval by an independent engineer procured by DC Water of an operational plan during and after relocation.