



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 proposed resolution entitled the "125 O Street S.E. and 1402 1st Street S.E. Emergency Disposition Approval Resolution of 2014".

This resolution will approve the disposition of 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 is Square 744S and a portion of Lot 801 in Square 744SS. Approval of the proposed resolution will serve as an important development link for overall redevelopment of the Capitol Riverfront by providing additional mixed-use commercial development that leverages the ongoing public and private investments in the neighborhood as a mixed-use destination.

In 2005, AWI selected Forest City ("Developer") to redevelop the Property and assist with locating suitable sites for the relocation of DC Water fleet service and sewer service operations. The Property was under the purview of the Anacostia Waterfront Corporation ("AWC") 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. Since 2007, the District has been negotiating with Forest City for the disposition and development of the Property and evaluating potential sites for the relocation of DC Water.


The relocation of DC Water is necessary to move forward with the redevelopment of the Property. Site acquisition in Prince George's County is imminent. Council approval of the disposition ensures that the relocation of DC Water to Prince George's County can occur. Without approval of the disposition, the District risks losing the only site currently available for the relocation of DC Water fleet services.

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". The signature is written in a cursive style with a large, prominent "V" and a long, sweeping tail on the "y".

Vincent C. Gray


Chairman Phil Mendelson
At the request of the Mayor

1
2
3
4
5
6
7 A PROPOSED RESOLUTION
8
9
10 _____

11 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
12 _____
13

14 To declare the existence of an emergency with respect to the need to approve the disposition of
15 District owned real property located at 125 O Street, S.E. and 1402 1st Street, S.E.,
16 known for tax and assessment purposes as a portion of Lot 805 is Square 744S and a
17 portion of Lot 801 is Square 744SS.
18

19 RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution
20 may be cited as the “125 O Street, S.E. and 1402 1st Street, S.E. Disposition Emergency
21 Declaration Resolution of 2014”.
22

23 Sec. 2. Findings.

24 (a) The District owns real property located at 125 O Street, S.E. and 1402 1st Street, S.E.
25 (“Property”).

26 (b) The Property is utilized by DC Water for its fleet service and sewer service
27 operations. Currently this operation consists of various low-scale structures and surface parking.

28 (c) The Anacostia Waterfront Initiative (“AWI”) Framework Plan, adopted by former
29 Mayor Anthony Williams and the Council in 2003, is a framework plan to advance the Anacostia
30 River’s clean-up, identify opportunities to increase access to the river, target areas for new
31 development and pioneer innovative green practices in new development.

32 (d) The AWI Framework Plan determined that the Property would be best served as an
33 important development link for overall redevelopment of the Capitol Riverfront by providing

1 additional mixed-use commercial development that leverages the ongoing public and private
2 investments in the neighborhood as a mixed-use destination.

3 (e) The Property was under the purview of the Anacostia Waterfront Corporation
4 (“AWC”) during the existence of that entity, and has since become part of the Office of the
5 Deputy Mayor for Planning and Economic Development (“DMPED”) portfolio.

6 (f) In 2005, AWC selected Forest City (“Developer”) to redevelop the Property and assist
7 with locating suitable sites for the relocation of DC Water fleet service and sewer service
8 operations.

9 (g) Since 2007, the District has been negotiating with Forest City for the disposition and
10 development of the Property and evaluating potential sites for the relocation of DC Water.

11 (h) Significant community input has been received on the redevelopment of the Property
12 through outreach and input for the Planned Unit Development (“PUD”). On February 7, 2014,
13 the Zoning Commission approved the PUD for the Property.

14 (i) The District is working with DC Water to procure suitable relocation sites.
15 Specifically, a suitable site in Prince George’s County, Maryland has been identified and is under
16 contract to DC Water for relocation of fleet service operations.

17 (j) The relocation of DC Water is necessary to move forward with the redevelopment of
18 the Property. Site acquisition in Prince George’s County is imminent. Council approval of the
19 disposition ensures that the relocation of DC Water to Prince George’s County can occur.

20 Without approval of the disposition, the District risks losing the only site currently available for
21 the relocation of DC Water fleet services.

22 (k) The Developer has been negotiating with a key anchor tenant to bring significant
23 amenities to the Capital Riverfront neighborhood through the redevelopment of the Property.

1 (l) The anchor tenant is necessary to bring amenities to the residents of the District,
2 generate tax revenues for the District, and create jobs for District residents.

3 (m) The anchor tenant will be financing significant tenant improvements on its own
4 behalf, such financing being necessary for the viability of the proposed redevelopment. Without
5 approval of the disposition, the anchor tenant will not be able to commit the necessary capital to
6 make the project viable.

7 (n) Time is of the essence for the District to acquire a site for the relocation of DC Water
8 fleet services and to receive the necessary commitments of the key anchor tenant.

9 (o) The proposed resolution will approve the disposition of the Property. The approval of
10 the resolution and its companion surplus declaration will enable both the District to acquire a
11 relocation site for DC Water fleet services and the Developer to pursue the necessary
12 commitments from the key anchor tenant.

13 Sec. 3. The Council of the District of Columbia determines that the circumstances
14 enumerated in section 2 constitute emergency circumstances making it necessary that the 125 O
15 Street, S.E. and 1402 1st Street, S.E. Emergency Disposition Approval Resolution of 2014 be
16 adopted on an emergency basis.

17 Sec. 4. This resolution shall take effect immediately.

18

19