

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. Disposition Extension Emergency Declaration Resolution of 2014".

This resolution will approve an extension of time for 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 allow the redevelopment of the Property to be completed in multiple phases, allowing for the relocation of DC Water from the Property in phases. Each phase can close when particular DC Water function units have been relocated. As a result, the Developer can begin construction on the first phase of redevelopment once DC Water fleet services is relocated and while relocation of other DC Water functions is being pursued.

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,


Vincent C. Gray


Chairman Phil Mendelson
At the request of the Mayor

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7 A PROPOSED RESOLUTION
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11 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA
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14 To declare the existence of an emergency with respect to the need to extend the time allowed for
15 the disposition of District owned real property located at 125 O Street, S.E. and 1402 1st
16 Street, S.E., known for tax and assessment purposes as a portion of Lot 805 is Square
17 744S and a portion of Lot 801 is Square 744SS.
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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 Extension
21 Emergency Declaration Resolution of 2014”.
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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 Forrest City (“Developer”) to redevelop the Property and
7 assist 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 a disposition with the Developer for the
10 disposition and development of the Property and evaluating potential sites for the relocation of
11 DC Water.

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

15 (i) Prior to transfer of the Property to the Developer, DC Water’s fleet service and sewer
16 service operations must be relocated.

17 (j) The Land Disposition Agreement (“LDA”) and supporting documents have been
18 submitted to the Council for approval of the surplus declaration and the disposition of the
19 Property.

20 (k) The redevelopment of the Property will be completed in multiple phases to allow for
21 the relocation of DC Water in phases. Each phase can close when particular DC Water function
22 units have been relocated. As a result, the Developer can begin construction on the first phase of

1 redevelopment once DC Water fleet services is relocated and while relocation of other DC Water
2 functions is being pursued.

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4 (l) The sequential relocation of DC Water is a condition precedent to the disposition of
5 any portion of the Property in accordance with the LDA.

6 (m) The complete relocation of DC Water cannot be completed within 2 years.

7 (n) The required timeline to satisfy the conditions precedent to the disposition of the
8 Property in accordance with the LDA provides for pre-closing obligations that extend beyond the
9 2 year timeframe authorized by section 1(d) of An Act Authorizing the sale of certain real estate
10 in the District of Columbia no longer required for public purposes, approved August 5, 1939 (53
11 Stat. 1211; D.C. Official Code § 10-801(d)).

12 (o) The proposed resolution will permit additional time to satisfy the pre-closing
13 obligations and dispose of the Property and allows the District and the Developer to enter into
14 the LDA and satisfy the pre-closing obligations.

15 Sec. 3. The Council of the District of Columbia determines that the circumstances
16 enumerated in section 2 constitute emergency circumstances making it necessary that the 125 O
17 Street, S.E. and 1402 1st Street, S.E. Property Disposition Extension Approval Resolution of
18 2014be adopted on an emergency basis.

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

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