

MURIEL BOWSER MAYOR

TAILB APR 26 PM 4: 25
OFFICE OF THE
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APR 26 2018

The Honorable Phil Mendelson Chairman Council of the District of Columbia 1350 Pennsylvania Avenue, NW, Suite 504 Washington, DC 20004

Dear Chairman Mendelson:

D.C. Official Code § 42-3171.03(a) requires that prior to disposition of PADD properties, there be a public hearing and a 60-day Council review of a proposed resolution of the terms and conditions of the disposition, I have enclosed, for consideration by the Council of the District of Columbia, the Property Disposition Agreement (PDA) between the Department of Housing and Community Development (DHCD) and The Neighborhood Development Company, LLC, to dispose of the property located at Square: 5553; Lots: 0029-0038 also known as 27th ST & Minnesota Ave., SE Washington, D.C., in Ward 8. The developer is proposing a 26 unit project. Most units will be 3 bedroom/2 bathroom townhouse units. The affordability mix includes 12 units at 50% of the Area Median Income (AMI) and 6 units at 60% AMI.

As always, I am available to discuss any questions you may have regarding the Property Disposition Agreement. In order to facilitate a response to any questions concerning this Property Disposition Agreement, please have your staff contact Allison Ladd, Deputy Director, DHCD at (202) 442-7206.

I look forward to your favorable consideration of this Property Disposition Agreement.

Sincerely,

Muriel Bowser

Enclosures

Chairman Phil Mendelson at the request of the Mayor A PROPOSED RESOLUTION IN THE COUNCIL OF THE DISTRICT OF COLUMBIA Chairman Phil Mendelson, at the request of the Mayor, introduced the following resolution which was referred to the Committee on . To approve the sale of certain District-owned real property located at 27th & Minnesota Avenue. SE S.E., in Washington, D.C., known for tax and assessment purposes as Lots 0029-0038 in Square 5553. RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA. That this resolution may be cited as the "27th-Minnesota Disposition Approval Resolution of 2018". Sec. 2. (a) Pursuant to section 433(a)(2) of the Due Process Demolition Act of 2002 (D.C. Law No. 14-114; D.C. Official Code § 42-3171.01 et seq. (2012 Repl. and 2017 Supp.)) (the "Act"), the Mayor transmitted to the Council a request for Council authority to dispose by means of negotiated sale the District-owned real property located at 27th & Minnesota Avenue t S.E., in Washington, D.C., known for tax and assessment purposes as Lots 0029-0038 in Square 5553. (b) The negotiated sale shall be subject to the following terms and conditions, in addition to such other terms and conditions as the Mayor deems necessary and appropriate: (1) The Property shall be sold to Developer(s) selected by the Mayor; (2) The Developer(s) shall cause the Property to be developed and sold only to

Eligible Buyer(s);

1	(3) The Developer(s) shall cause any Affordable Unit(s) developed and sold to			
2	be affordable to persons with incomes at or below either 60% or 50% of the area median			
3	income, as specified by the Mayor;			
4	(4) The Developer(s) shall enter into a CBE Utilization and Participation			
5	Agreement with the District of Columbia Department of Small and Local Business			
6	Development ("DSLBD");			
7	(5) The Developer(s) shall enter into a First Source Employment Agreement			
8	with the District of Columbia Department of Employment Services;			
9	(6) The Developer(s) shall be current on any obligations outstanding to any			
10	agency or entity of the Government of the District of Columbia, whether or not related to the			
11	disposition or the Property, including all local taxes and charges affecting Developer(s); and			
12	(7) The Developer(s) shall be validly organized, existing and in good standing to			
13	do business in the District of Columbia.			
14	(c) For purposes of section 2:			
15	(1) "Affordable Unit(s)" shall mean a unit to be sold to a household whose			
16	income is equal to, or less than, the maximum area median income ("AMI") percentage set forth			
17	for that unit, with AMI being the periodic AMI calculation provided by HUD as a direct			
18	calculation without taking into account any adjustments made by HUD for the program it			
19	administers.			
20	(2) "CBE Utilization and Participation Agreement" means an agreement with			
21	the Department of Small and Local Business Development governing certain obligations of the			
22	Developer(s) of the Properties under the Small, Local, and Disadvantaged Business			
23	Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33, D.C.			

- 1 Official Code § 2-218.01, et seq.), as amended, requiring contracting and employment of local,
- 2 small businesses for at least 50% of all the pre-construction and construction of the
- 3 improvements contemplated in this resolution.
- 4 (3) "Developer(s)" means a person, persons, entity, or entities that develop(s)
- 5 real estate for commercial or residential use.
- 6 (4) "Eligible Buyer" shall mean a household consisting of one (1) or more
- 7 individuals who purchases the property as a primary residence and certifies that he, she, or they
- 8 intend(s) to use the property as his, her, or their primary residence. For all Affordable Unit(s),
- 9 Eligible Buyer shall also mean a household meeting the income restrictions of an Affordable
- 10 Unit(s).
- 11 (5) "First Source Agreement" means an agreement with the District of Columbia
- 12 Department of Employment Services, governing certain obligations of the Developer(s) of the
- 13 Properties 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
- 15 83-265 (November 9, 1983) regarding job creation and employment generated as a result of the
- 16 construction contemplated in this resolution.
- 17 (d) In accordance with § 433(a)(1) of the Act, before disposition of the Property, there
- shall be a public hearing on the proposed terms and conditions of the disposition after at least 30
- 19 days public notice.
- Sec. 3. The Council adopts the fiscal impact statement in the committee report as the
- 21 fiscal impact statement required by section 602(c)(3) of the Home Rule Act, approved
- 22 December 24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(3)).

- Sec. 4. The Secretary of the Council shall transmit a copy of this resolution, upon its
- 2 adoption, to the Office of the Mayor and the Chief Financial Officer.
- 3 Sec. 5. This resolution shall take effect immediately.

GOVERNMENT OF THE DISTRICT OF COLUMBIA Department of Housing and Community Development



COUNCIL CONTRACT SUMMARY

Pursuant to DC Official Code § 42-3171.03(a), prior to certain dispositions of Property Acquisition and Disposition Division (PADD) properties, there must be a public hearing and a 60-day Council review of a proposed resolution of the terms and conditions of the disposition.

(A) The proposed contractor, contract amount, unit and Method of Compensation, contract term, and type of contract:

Proposed Contractors:

Neighborhood Development Company

(NDC)

Contract Amount:

\$75,000

Unit and Method of Compensation:

N/A

Type of Contract:

Property Disposition Agreement ("PDA")

for purchase of real property

Term of Contract:

PDA shall terminate upon Satisfaction of

Terms (as defined in the PDA) or a failure

of a condition of Settlement.

Proposed method of transfer:

Special Warranty Deed

(B) Description of the goods and services to be provided:

NDC proposes developing the site as condominium unit townhomes. The condominium project will yield 26 units, most of which are family sized units – more than half of the units are three bedroom units. Of the twenty six (26) units to be developed, twelve (12), will be affordable to households at or below 50% of AMI; 6 units, will be affordable to households at or below 60% of AMI and the remaining units will be sold to workforce households.

(C) A description of the selection process, including the number of offerors, the evaluation criteria, and the evaluation results, including the price and technical components:

A Solicitation of Offer was issued by DHCD. There were two respondents/offerors. Proposals were evaluated on the following criteria: Capacity of the Development Team, Financial and Economic Feasibility, Income levels served, Homeownership opportunities, Community Involvement, Zoning Feasibility, Design Characteristics, Unit Mix, Community Impact, Sustainability and Affordability Requirement.

(D) The background and qualifications of the proposed contractor, including its organization, financial stability, personnel, and prior performance on contracts with the District government:

Developer has completed numerous public-private projects of similar size and scale in the District of Columbia. Developer has a proven track record with evidence of performing and financially managing projects of similar size and scale. Developer has a strong balance sheet and loan commitment evidencing financial capability.

(E) Performance standards and expected outcomes of the proposed contract:

The terms of the purchase are subject to the PDA. Upon Council approval of the PDA, the District and the Proposed Developer will proceed to settlement of the transaction, whereby the District will transfer all of its interest in the Property to the Developer through a Special Warranty Deed. Upon Transfer Developer is expected to fully develop and construct the premises in accordance to a schedule provided by the Developer. The evidence of completion shall be a Certificate of Occupancy issued by DCRA.

(F) A certification that the proposed contract is within the appropriated budget authority for the agency for the fiscal year and is consistent with the financial plan and budget adopted in accordance with Sections 47-392.01 and 47-392.02:

HPTF (Please see attached financial certification and budget authority)

Page 2 of 3

(G) A certification that the proposed contract is legally sufficient and has been reviewed by the Office of General Counsel, including the proposed contractor's/proposed

grantor's compliance with District and federal tax laws:

Submission of the proposed Purchase Agreement includes a certification of legal sufficiency by the Office General Counsel for the Department of Housing and Community Development, and tax compliance statements provided by the Office of Tax and Revenue and the Department of Employment Services. See attached statements.

(H) A certification that the proposed contractor is current with its District and Federal taxes and has worked out and is current with a payment schedule approved by the District or federal government:

Please see the attached good standing certificates for the Contractors provided by the Office of Tax and Revenue.

(I) The status of the proposed contractor as a certified local, small or disadvantaged business enterprise (LSDBE).

Developer is a Certified Business Enterprise (CBE).

(J) Other aspects of the proposed contract that the Chief Procurement Officer deems significant:

Not Applicable

(K) A statement indicating whether the proposed contractor is currently debarred from providing services to any governmental entity (federal, state, or municipal), the dates of the debarment, and the reasons for debarment:

Developer is not debarred.

Initial File #: L00005795715 Entity Type: LLC

GOVERNMENT OF THE DISTRICT OF COLUMBIA

DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS CORPORATIONS DIVISION



CERTIFICATE

THIS IS TO CERTIFY that all applicable provisions of the District of Columbia Business Organizations Code (Title 29) have been complied with and accordingly, this *CERTIFICATE OF GOOD STANDING* is hereby issued to

Minnesota and 27th SE LLC

WE FURTHER CERTIFY that the domestic filing entity is formed under the law of the District on 10/12/2017; that all fees, and penalties owed to the District for entity filings collected through the Mayor have been paid and Payment is reflected in the records of the Mayor; The entity's most recent biennial report required by § 29-102.11 has been delivered for filing to the Mayor; and the entity has not been dissolved. This office does not have any information about the entity's business practices and financial standing and this certificate shall not be construed as the entity's endorsement.

IN TESTIMONY WHEREOF I have hereunto set my hand and caused the seal of this office to be affixed as of 2/13/2018 12:11 PM

Muriel Bowser Mayor

Tracking #: OgrmJLOf

Business and Professional Licensing Administration

PATRICIA E. GRAYS Superintendent of Corporations

Corporations Division



CERTIFICATE OF CLEAN HANDS

NEIGHBORHOOD DEVELOPMENT COMPANY LLC 3232 GEORGIA AVE NW STE 100 WASHINGTON, DC 20010-3084

EIN: *****2042

As reported in the Citywide Clean Hands system, the above referenced individual or entity has no outstanding liability with the District of Columbia. As of the date herein, you have complied with the following official DC code and therefore are issued this Certificate of Clean Hands.

TITLE 47. TAXATION, LICENSING, PERMITS, ASSESSMENTS AND FEES
CHAPTER 28. GENERAL LICENSE LAW
SUBCHAPTER II. CLEAN HANDS BEFORE RECEIVING A LICENSE OR PERMIT
D.C. Code § 47-2862 (2006)
§ 47-2862. Prohibition against issuance of license or permit.

Authorized By Doris Faulkner Acting Chief of Collections

Date: Friday this 16th day of February 2018 01:45 PM

Tracking#: 785707

This document is a certified, complete and true copy.



CERTIFICATE OF CLEAN HANDS

MINNESOTA AND 27TH SE LLC 3232 GEORGIA AVE NW WASHINGTON, DC 20010-2511

EIN: ****4777

As reported in the Citywide Clean Hands system, the above referenced individual or entity has no outstanding liability with the District of Columbia. As of the date herein, you have complied with the following official DC code and therefore are issued this Certificate of Clean Hands.

TITLE 47. TAXATION, LICENSING, PERMITS, ASSESSMENTS AND FEES
CHAPTER 28. GENERAL LICENSE LAW
SUBCHAPTER II. CLEAN HANDS BEFORE RECEIVING A LICENSE OR PERMIT
D.C. Code § 47-2862 (2006)
§ 47-2862. Prohibition against issuance of license or permit.

Authorized By Doris Faulkner Acting Chief of Collections

Date: Thursday this 22nd day of February 2018 11:28 AM

Tracking#: 787705

This document is a certified, complete and true copy.

<u>AFFIDAVIT</u>

I, <u>Adrian G. Washington</u>, hereby attest that all members of the development team, who are listed below, are not listed in the List of Parties Excluded from Federal Procurement or Non-Procurement Programs.

DEVELOPMENT TEAM

Developer: Neighborhood Development Company, L.L.C. Attn: Adrian G. Washington			
Consultant(s):			
Management Agent:			
Attorney: Klein Hornig LLP Attn: Eric Herrmann			
Civil Engineer(s): CAS Engineering - DC, LLC Attn: David C. Landsman			
Architect(s): MOS Architects PLLC Attn: Hilary Sample			
Other(s):			
I further attest that no principal, major stockholder, officer, or director of a development team member is debarred from participating in a federal procurement or non-procurement program.			
Adrian G. Washington			
<u>CEO</u> Title			
03/20/2018			
Date			
Sworn and subscribed to before Me this 20th day of NOTARY PUBLIC DISTRICT OF COLUMBIA My Commission Expires October 14, 2020			
Notary Public (Seal)			

GOVERNMENT OF THE DISTRICT OF COLUMBIA

PROFILE SUMMARY

(CONTRACTS TO PURCHASE, DISPOSE, ACQUIRE, TRANSFER, LEASE OF REAL PROPERTY/ EXCLUSIVE RIGHT AGREEMENTS/LOANS & GRANTS OVER \$1M/INTRADISTRICT.)

Contracting Agency: <u>Dept. Housing and Community Development</u> Agency Code:					
Using Agency: Agency C	Code:				
Loan/Grant/Lease Subrecipient Name: The Neig	hborhood Company (NDC) I.D. #:				
Should the Authority have any questions regarding this	s loan/grant/lease, please contact:				
	02-442-7254 elephone Number				
TYPE OF DOCUMENT SUBMITTED					
1. Loan/Grant/Lease Modification	4. Unwritten or Informal Contract				
2. Exercise of Grant Option Year (E. O.)	5. Lease of Real Property				
3. Loan/Grant/Lease Agreement for:	6. V Other: Purchase and Sale Agreement				
LOAN/DISPOSITION TYPE					
1. Grant	4. Cost Reimbursement				
2. Disposition Price \$75,000.00	5. Time and Material				
3. Task Order	6. Advance Payment				

GRANT/LOAN/DISPOSITION INFORMATION

Grant/Loan/Disposition No.: <u>DHCD</u>	Amount: <u>\$75,000 (PADD)</u>				
Amt. Required This FY: \$75,000	Amt. Required Next FY: NA				
Caption: Neighborhood Development Company	Grant/Loan Term: N/A				
Interest Rate: 0%					
Does this Grant/DispositionAmount exceed \$1 million:	Yes				
If yes, please attach a copy of the DC Council approval an	d provide the following information:				
Date received: Date approve	d:				
LEASE INFORMATIO	ON				
Lease No.: NOT APPLICABLE Total Cost					
Location: Annual Cost					
Sq. Ft. Leased: Cost Per Sq.	Ft.				
Total Bldg. Sq. Ft.: % Sq. Ft. Lea	sed By D.C.				
BRIEF DESCRIPTION OF GRANT/LOAN/LEASE					
SOURCE OF FUNDIA	NG				
1. Appropriated 4.	Intra-District				
2. Capital 5.	Inter-Jurisdictional				
3. Grant () 6.	Other: Check at Closing				
If procurement action is funded by grant or other non-capital or non-appropriated funds, will the District need to expend some portion of its funds prior to receiving funds from the grantor or other funding source?					
Yes No N/A					
If Yes, indicate the amount the District will need to expend and the percentage this amount represents of the total funds required to support the effort. District Funds \$					
<u>%</u> .					

CRITICAL ISSUES ASSOCIATED WITH GRANT/LOAN ACTION

1.	Is this Disposition/Loan one of multiple (mor services, etc., awarded by the Agency to this stwelve (12) months? Yes No		•	
2.	Have reserved funds been obligated for paymincluded in Grant/Loan File). Yes No	ent? (I	f Yes, ensure documentation is	
3.	Is the File complete? (If Yes, please attach portion of the File complete) Is the File complete? (If Yes, please attach portion of the File complete) Is the File complete? (If Yes, please attach portion of the File complete) Is the File complete?	ertinent	: documentation).	
4.	Is the subrecipient a successor to or affiliated Grant/Loan with the Agency? Yes No	with ar	nother individual or business that has	
	If Yes, name of Predecessor/Affiliate:			
5.	Is a former District employee an owner, officer, or affiliate of the subrecipient? Yes No			
	If Yes, Name and Affiliation:			
Please discuss any other critical issues such as time constraints; health and safety issues; or financial/revenue production issues that should be known.				
j	FUTURE INFORMATION/DOCUMENTATION			
=	IF Grant/Loan IS A			
	1. Award Date	4.	Claims By/Against Grant/Loan	
2	2. Expiration Date	5.	Certified Completion Date	
3	3. Amendments	6.	Final Payment Date	

CERTIFICATIONS

I certify that this proposed property disposition agreement between the Department of Housing and Community Development and Neighborhood Development Company, in the amount of \$75,000.00 for the disposition and development of certain parcels are in compliance with the applicable Federal and District of Columbia Regulations and the Department of Housing and Community Development's (DHCD) policies and procedures. The project is located at 27th St S.E. and Minnesota Avenue, S.E., also known as SSL: 5553; 0029-0038, Washington, D.C., in Ward 8. The disposition/sale of certain vacant land parcels from the Department will be used to develop a twenty six (26) unit town-house condominium project which will yield 18 affordable units at or below sixty percent (60%) of the Area Median Income.

develop a twenty six (26) unit town-house condon	
units at or below sixty percent (60%) of the Area I	Median Income.
Mey R. I	3.30.2018
Mary R. (Polly) Donaldson	Date
Director, DHCD	
allisohedd	3/30/18
Allison Ladd	Date
Deputy Director	
I have reviewed this Grant/Loan/Disposition action District's Financial Plan and Budget for FY 200 action. Beth Spooner Agency Fiscal Officer, DHCD	
D. FETTIN (NAMESAN
DETERMI	
I have reviewed this Grant/Loan/Disposition action District's Financial Plan and Budget for FYaction.	
(P)	4/9/18
Cyril Byron, Jr.	Date
Associate Chief Financial Officer	

GOVERNMENT OF THE DISTRICT OF COLUMBIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT OFFICE OF THE GENERAL COUNSEL



MEMORANDUM

TO:

Muriel Bowser

Mayor of the District of Columbia

THRU:

Julia H. Wiley

General Counsel

FROM:

Joan E. McKenzie

Assistant General Couns

DATE:

April 4, 2018

RE:

Proposed Sale of Property Located at Minnesota Avenue, SE &

27th Street ("Property") to Minnesota and 27th SE LLC

("Purchaser") from the District of Columbia, acting by and through

the Department of Housing and Community Development

("DHCD")

DHCD proposes to enter into a Property Disposition Agreement ("PDA") with the Purchaser for the sale of the Property. The Purchaser has agreed to build 26 units of forsale housing on the Property. The Purchaser shall reserve 18 of the for-sale homes as affordable housing. All of the affordable homes will be affordable to and sold exclusively to low income households or extremely low income households with incomes not to exceed 60% or 50%, respectively, of the area median income (AMI) for the Washington Metropolitan Statistical Area as determined by the U.S. Department of Housing and Urban Development and adjusted in accordance with the HPTF statutes. Twelve of the homes will be sold to households making 50% or less of the AMI and 6 of the homes will be sold to households making 60% or less of the AMI. The remaining 6 homes will be sold as market rate housing. The Purchaser will receive HPTF funding at a later date to finance the construction of the affordable homes in accordance with the HPTF statutes and regulations.

I have reviewed the enclosed Property Disposition Agreement and conclude that it is in compliance with District law and is legally sufficient. The Director will sign it after Council approval.