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Chairman Phil Mendelson
at the request of the Mayor

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to extend the time allowed for the disposition of District-owned real property located at 901 Fifth Street, N.W. and I Street, N.W., and known for tax and assessment purposes as Lot 0059 in Square 0516.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Extension of Time to Dispose of Fifth Street, N.W. and I Street, N.W. Emergency Declaration Resolution of 2018”.

Sec. 2. (a) Pursuant to section 1 of An Act Authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat. 1211; D.C. Official Code § 10-801(d)), the Mayor transmitted to the Council a request for approval of additional time for the disposition of certain real property located at 901 Fifth Street, N.W. and I Street, N.W., and known for tax and assessment purposes as Lot 0059 in Square 0516 (the “Property”).

(b) The Council approved the disposition pursuant to the Fifth Street, N.W. and I Street, N.W. Disposition Emergency Approval Act of 2014, enacted December 23, 2014 (D.C. Act

32 A20-0543, 62 DCR 240) (the “Fifth and I Disposition”). The Property consists of approximately
33 20,641 square feet of land. The Fifth and I Disposition authorizes the disposition of the Property
34 for a mixed-use development including a hotel, condominiums, retail (collectively, the
35 “Project”), and an off-site affordable housing component (the “Affordable Housing Project”).

36 (b) In 2016, Council approved the Fifth Street, NW and I Street, NW Disposition
37 Extension Approval Resolution of 2016, effective December 6, 2016, (D.C. Resolution R21-699;
38 64 DCR 11438) to extend the authority for the Mayor to dispose of the Property to December 23,
39 2018 (the “Fifth and I Disposition Extension”).

40 (b) In 2018, Council approved the Fifth Street N.W. and I Street N.W. Term Sheet
41 Amendment Approval Resolution of 2017, effective January 23, 2018 (D.C. Resolution PR22-
42 0611; 64 DCR 11696) to amend the Project term sheet to include: (i) Commercial Project at 901
43 Fifth Street, N.W. consisting of a limited-service hotel, condominiums, approximately 7,600
44 square feet of retail, and an underground garage; (ii) renovation of Milian Park and the
45 Chinatown Park; and (iii) Affordable Housing Project that will result in the development of at
46 least 61 affordable dwelling units (“ADU’s”) with the Developer constructing a building at 2100
47 Martin Luther King Jr. Ave, S.E. containing no less than 20 ADUs reserved for leasing to
48 households at or below 60% of Area Median Income (the “Fifth and I Term Sheet Amendment”).

49 (c) The Office of the Deputy Mayor for Planning and Economic Development
50 (“DMPED”) conducted a thorough solicitation process and selected the development team of
51 TCP 5th & I Partners LLC, comprised of The Peebles Corporation, and MLK DC AH Developer,
52 LLC (collectively, the “Developer”) to redevelop the Property. The District and Developer

53 executed a Land Disposition and Development Agreement on December 24, 2014 and executed
54 an Amended and Restated Land Disposition and Development Agreement on October 17, 2018
55 (collectively, the “LDDA”) following approval of the Fifth Street N.W. and I Street N.W. Term
56 Sheet Amendment Approval Resolution of 2017. The Developer has worked diligently on the
57 pre-development activities related to the development of a mixed-use development on the
58 Property. To date, the Developer has completed the building plans for the Affordable Housing
59 Project at 2100 MLK and secured financing commitments for construction; acquired an Alternate
60 Site to deliver the remaining ADUs and submitted a NOFA application for financing; and
61 substantially completed the building plans for the Commercial Project at 901 Fifth Street, N.W.

62 (d) DMPED and Developer have adhered to all milestones contained in the Schedule of
63 Performance that accompanied the LDDA, however despite the best efforts of DMPED and
64 Developer, the Developer has reached an impasse with its lender on the negotiation of terms for
65 construction financing of the Commercial Building at 901 Fifth Street, N.W. The Developer has
66 requested additional time to negotiate with an alternative lender and close on the Property.

67 (e) Per the Fifth and I Disposition Extension, the Mayor’s authority to dispose of the
68 Property will expire on December 23, 2018.

69 (f) To meet all Conditions of Closing pursuant to the LDA, the Developer will require
70 additional time beyond the existing disposition authority.

71 (f) An extension of the disposition authority is necessary to provide the Developer
72 sufficient time to fulfill the necessary milestones required.

73 Sec. 3. The Council of the District of Columbia determines that the circumstances
74 enumerated in Section 2 constitute emergency circumstances making it necessary that the
75 Extension of Time to Dispose of Fifth Street, N.W. and I Street, N.W. Extension Emergency
76 Amendment Act of 2018 be adopted on an emergency basis.

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