

A RESOLUTION

20-598

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

September 23, 2014

To approve the disposition of District-owned real property located at 5201 Hayes Street, N.E., known for tax and assessment purposes as Lot 0809 in Square 5197.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “5201 Hayes Street, N.E. Disposition Approval Resolution of 2014”.

Sec. 2. Definitions.

For the purposes of this resolution, the term:

(1) “CBE Agreement” means an agreement governing certain obligations of the Purchaser under the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*) (“CBE Act”), including the equity and development participation requirements set forth in section 2349a of the CBE Act (D.C. Official Code § 2-218.49a).

(2) “Certified Business Enterprise” means a business enterprise or joint venture certified pursuant to the Small, Local and Disadvantaged Business Enterprise Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*).

(3) “First Source Agreement” means an agreement with the District governing certain obligations of the Purchaser 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 83-265, dated November 9, 1983, regarding job creation and employment generated as a result of the construction on the Property.

(4) “Property” means the real property located at 5201 Hayes Street, N.E., that is approximately 93,450 square feet of land known for tax and assessment purposes as Lot 0809 in Square 5197.

(5) “Purchaser” means the development team consisting of Pennrose Properties, a limited liability company registered to do business in the District with a business address of 575 S. Charles St Baltimore, Maryland 21201, and the Warrenton Group, a District of Columbia limited liability company, with a business address of 5335 Wisconsin Ave., NW, Suite 440, Washington, DC 20015, its successor, or one of its affiliates or assignees approved by the Mayor.

**Sec. 3. Approval of disposition.**

(a) Pursuant to section 1(b)(8)(F) 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(b)(8)(F)) (“Act”), the Mayor transmitted to the Council a request for approval to dispose of the Property through a public or private sale to the bidder providing the most benefit to the District.

(b) The intended use of the Property is a residential development that includes replacement housing for Lincoln Heights/Richardson Dwellings and any ancillary uses allowed under applicable law.

(c) The proposed disposition shall include the following terms and conditions, in addition to any other terms and conditions as the Mayor deems necessary or appropriate:

(1) The Purchaser shall enter into an agreement that shall require the Purchaser to, at a minimum, contract with Certified Business Enterprises for at least 35% of the contract dollar volume of the Project, and shall require at least 20% equity and 20% development participation of Certified Business Enterprises; and

(2) The Purchaser shall enter into a First Source Agreement with the District that shall govern certain obligations of the Purchaser 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 83-265, dated November 9, 1983, regarding job creation and employment as a result of the construction on the Property.

(d) All documents that are submitted with this resolution pursuant to section 1(b-1) of the Act shall be consistent with the executed Memorandum of Understanding or term sheet transmitted to the Council pursuant to section 1(b-1)(2) of the Act.

(e) The Council finds that the Property is no longer required for public purposes.

(f) The Council approves the disposition of the Property.

**Sec. 4. Transmittal of resolution.**

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

**Sec. 5. Fiscal impact statement.**

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

**Sec. 6. Effective date.**

This resolution shall take effect immediately.