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SECRETARY THE

MURIEL BOWSER MAYOR

JUN 2 2 2018

The Honorable Phil Mendelson Chairman Council of the District of Columbia John A. Wilson Building 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 Nell & Ran, LLC to dispose of the property located at Square: 5325; Lot: 0025; also known as 5034 Bass Place, SE Washington DC, in Ward 7. The developer is proposing to build a 3 level row home with a basement. The home will consist of 3 bedrooms with 2 ½ baths, a living room, dining room, and basement. The unit will be affordable to persons with incomes between 80% and 120% of the area median income.

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 Latrena Owens, Chief of Staff, DHCD at (202) 442-6972.

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

Sincerely,

Muriel Bowser

Enclosure

Chairman Phil Mendelson at the request of the Mayor

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

A PROPOSED RESOLUTION

- Chairman Phil Mendelson, at the request of the Mayor, introduced the following resolution which was referred to the Committee on April 18, 2018
- To approve the sale of certain District-owned real property located, 5034 Bass Place, SE Washington, D.C., known for tax and assessment purposes as Lot 5325 in Square 0025
- RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the "5034 Bass Place, SE 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 5034 Bass Place, SE, in Washington, D.C., known for tax and assessment purposes as Lot 5325 in Square 0025.
- (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 (2) The Developer(s) shall cause the Property to be developed and sold only to
- 3 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 between 80% and 120% of the area median income, as |
| 3 | 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)).

- 1 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



PROPERTY DISPOSITION SUMMARY

Pursuant to DC 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.

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

Proposed Contractors:

Nell & Ran LLC

Contract Amount:

Seventy-eight thousand, seven hundred and

fifty dollars \$78,750.00

Unit and Method of Compensation:

NA

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:

Nell & Ran LLC has been selected to enhance the production of affordable housing by building a single-family home, in accordance with District Columbia policies and procedures. The home will consist of: three stories (to include the basement) with 1000 sq. ft. per floor; around 3000 sq. ft. for the entire house. The home will have 3 bedrooms with 2.5 bath, living room, dining room, and a basement. The unit will be affordable to persons with incomes between 80% and 120% of the area median income. Location: 5034 Bass Place, SE

(C) A description of the selection process, including the number of offerors, the evaluation criteria and results, and the basis for selecting the proposed contractor:

Pursuant to D.C. Official Code § 42-3171.03 (2012 Supp.), the District offered for sale through a competitive process the Property for the purpose of eliminating or reducing blight by providing for the disposition and development of the Property at the highest bid price at an auction held January 18, 2018 through January 23, 2018 ("PADD Auction"), provided that the successful bidder agrees to develop or rehabilitate a single-family or multi-family affordable workforce housing project approved by the District on the Property in accordance with a property disposition agreement ("PDA") between the District and the successful bidder. The Developer was the successful bidder at the PADD Auction.

(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 provided DHCD with documents evidencing their ability to enter into the Contract.

(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, the 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:

Please see attached financial certification and budget authority.

(G) A certification that the proposed contract is legally sufficient and has been reviewed by the Office of the 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 of the General Counsel.

(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 clean hands certificate for the Developer 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).

The Developer is not a 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:

Please see attached Debarment Affadavit.

GOVERNMENT OF THE DISTRICT OF COLUMBIA

Office of the Chief Financial Officer
Office of Tax and Revenue



CLEAN HANDS CERTIFICATION

| Name/Business | s: DANA W.WILLIAMS | |
|-----------------|--|----|
| | 4301 BROOKVIEW TERRACE | |
| | FT. WASHINGTON, MD 20744 | |
| FEIN/SSN: | XXX-XX-0615 | |
| The Office of T | Tax and Revenue certifies that the taxpayer is: | |
| • | pliance — the taxpayer has complied with all applicable tax laws and payment ments of the District of Columbia. | , |
| □ Not In C | Compliance | |
| · | payer must report to OTR at 1101 4 th Street SW, Washington, D.C. 20024, Suite 270 in full or make payment arrangement to obtain a Certificate of Clean Hands | to |
| | or | |
| b. Cont | tact Department of Employment Services, if applicable. | |
| | 5/24/2018 | |
| Authorized Sig | | |
| \smile | | |



CERTIFICATE OF CLEAN HANDS

NELL & RAN LLC 4301 BROOKVIEW TER FORT WASHINGTON, MD 20744-1202

EIN: ****3536

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 $\supset C$ code and therefore are issued this Certificate of Clean Hands.

TITLE 47. TAXATION, LICENSING, PERMITS, ASSESSMENTS AND FEES
CHAPTER 28. GENERAL LICENSE LAW
SUBCI IAPTER II. CLEAN HANDS BEFORE RECEIVING A LICENSE OR PERMIT
D.C. Code § 47-2862 (2006)
5 47-2862. Prohibition against issuance of license or permit.

Authorized By Doris Faulkner Acting Chief of Collections

Date: Thursday this 26th day of April 2018 08:35 AM

Tracking#: 915009

This document is a certified, complete and true copy.

Initial File #: L00005982919 Entity Type: LLC

GOVERNMENT OF THE DISTRICT OF COLUMBIA

DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS CORPORATIONS DIVISION



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

Nell & Ran LLC

WE FURTHER CERTIFY that the qualified foreign entity is registered to do business in the District; 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's registration has not been terminated. 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 5/4/2018 11:42 AM

CONSUMER AND REGISTRATION DIVISION OF CORPORATION DIVISION

Business and Professional Licensing Administration

PATRICIA E. GRAYS Superintendent of Corporations Corporations Division

Muriel Bowser Mayor

Tracking #: 2mMSH4r4

CERTIFICATIONS

I certify that this proposed Property Disposition Agreement between the Department of Housing and Community Development and Nell & Ran LLC, in the amount of \$78,750.00 for the disposition and development of certain parcels is 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 5034 Bass Place, SE Washington, DC, also known as: Square 5325; Lot 0025, in Ward 7. The disposition/sale of certain vacant land parcels from the Department will be used to develop a 3 level row home. The home will consist of 3 bedrooms with 2 ½ baths, a living room, dining room and basement. The unit will be affordable to persons with incomes between 80% and 120% of the area median income.

| Muy C.X | 6.5.18 | |
|---------------------------|--------|--|
| Mary R. (Polly) Donaldson | Date | |
| Director, DHCD | | |
| alliswlidd | 6/5/18 | |
| Allison Ladd | Date | |
| Deputy Director | | |

I have reviewed this Grant/Loan/Disposition action and have determined that it is within the District's Financial Plan and Budget for FY 2018 and that funds are available to support the action.

Beth Spooner Date

DETERMINATION

I have reviewed this Grant/Loan/Disposition action and have determined that it is within the District's Financial Plan and Budget for FY 2018 and that funds are available to support the action.

Cyril Byron, Jr. Date

Associate Chief Financial Officer

Agency Fiscal Officer, DHCD



GOVERNMENT OF THE DISTRICT OF COLUMBIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT





MEMORANDUM

TO:

Muriel C. Bowser

Mayor

FROM:

Julia H. Wilev

General Counsel

Department of Housing and Community Development

DATE:

May 30, 2018

SUBJECT:

Proposed Property Disposition Agreement ("PDA") Between the District of Columbia, acting by and through the Department of Housing and Community Development (the "District" or "DHCD"), and Nell & Ran LLC, a District of Columbia limited liability company (the "Developer") to dispose of the real property located at Square: 5325; Lot: 0025, also known as 5034

Bass Place, SE, Washington, D.C., in Ward 7 (the "Property")

Pursuant to the Abatement and Condemnation of Nuisance Properties Omnibus Amendment Act of 2000, effective April 19, 2002 (D.C. Law 14-114; D.C. Official Code § 42-3171.03(a) (2012) Repl. And 2017 Supp.)), the District offered the Property for sale through a competitive process at the highest bid price at an auction held January 18, 2018 through January 23, 2018 ("PADD Auction"). The Developer was the successful bidder at the PADD Auction and has agreed to construct on the Property a 3-level row house in accordance with the terms and conditions set forth in the proposed PDA between the District and the Developer. The proposed housing development will have 3 bedrooms, 2½ baths, living room, dining room and basement. The forsale housing unit will be affordable to workforce households earning between 80% to 120% of the area median family income. A public hearing required by D.C. Official Code § 42-3171.03(a)(1) was held on April 4, 2018 to discuss the proposed terms and conditions of the Property disposition.

The Office of the General Counsel for DHCD has reviewed the attached PDA and has determined that it is legally sufficient. If you have any questions concerning this PDA, please contact Julia Wiley on 202-442-6975.

Polly Donaldson, Director, DHCD cc:

Allison Ladd, Deputy Director, DHCD Latrena Owens, Chief of Staff, DHCD Taura Smalls, Legislative Affairs Specialist, DHCD