

## **RESOLUTION 11-15**

### **TO AUTHORIZE DCHA TO GROUND LEASE REAL PROPERTY TO CG MARKETPLACE, LLC AS CAPITAL CONTRIBUTION OF DC HOUSING COMMERCIAL LLC**

WHEREAS, the District of Columbia Housing Authority Act of 1999, as amended, the District of Columbia Housing (DCHA) is empowered and authorized to "establish non-profit and for-profit corporations, partnerships, limited liability companies, and other entities to act in furtherance of its purposes." D.C. Code § 6-203(19) (2001 ed.); and

WHEREAS, on June 11, 2008 DCHA Board of Commissioners approved DCHA forming a single purpose entity for the sole purpose of developing, owning and operating the Capitol Gateway Marketplace development, and on September 10, 2008, the Board of Commissioners authorized the execution of the Operating Agreement for the joint venture between the DCHA affiliate and the A & R affiliate; and

WHEREAS, on December 9, 2010 the DC Housing Commercial, LLC was created; and

WHEREAS, as authorized by resolution of the Board of Commissioners, DC Housing Commercial, LLC will enter into an Operating Agreement with A&R/THC, LLC to create Capitol Gateway Marketplace, LLC (joint venture); and

WHEREAS, both entities will execute an escrow agreement to hold the documents of conveyance in escrow with Terra Nova Title Agency until all milestones per the escrow agreement are met and the ground lease with the anchor tenant is ready for execution; and

WHEREAS, DCHA will ground lease 10 acres comprised of Square 5276 Lots 23 thru 121, 812 & 813 to Capitol Gateway Marketplace, LLC on behalf of DC Housing Commercial, LLC, as its capital contribution to the joint venture which will develop, own and operate Capitol Gateway Marketplace;

NOW THEREFORE, BE IT RESOLVED, the Board of Commissioners hereby authorizes DCHA to ground lease the 10 acre site to Capitol Gateway Marketplace, LLC on behalf of DC Housing Commercial, LLC as its capital contribution to the joint venture for the purposes of developing, own and operating the mixed use development Capitol Gateway Marketplace. The conditions subsequent to the authorization of DCHA to execute the Ground Lease are set forth below. Prior to such execution of the documents listed below, staff will ensure that the final documents reflect the policies expressed by the Board of Commissioners.

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Commercial LLC

The conditions subsequent to such authorization are set forth below:

- 1) The DCHA affiliate and the A & R affiliate will execute the Operating Agreement for the Joint Venture.
- 2) The Escrow Agreement between DCHA, DC Housing Commercial, the A & R affiliate and the escrow agent will be executed.
- 3) DCHA will execute the Ground Lease conveying the ground lease interest in the real property and deliver such Ground Lease to the escrow agent.
- 4) The Development Services Agreement between the Joint Venture and A & R development company affiliate will be executed.
- 5) The PUD application will be filed with the Zoning Commission.
- 6) Resolution of the Project Labor Agreement issues shall occur.
- 7) The Joint Venture and the community will complete negotiations of the Community Benefits Agreement and such Community Benefits Agreement will be executed and submitted to the Zoning Commission prior to the public hearing.
- 8) The Zoning Administrator will issue the PUD Order.
- 9) The Ground Lease between the Joint Venture and Walmart will be finalized and executed; provided however, prior to execution of any Ground lease with Walmart, the negotiations between the Mayor and Walmart shall have been concluded and the results of such negotiations reported to the Board of Commissioners. If deemed necessary, the Joint Venture will seek to pursue a site specific agreement with Walmart prior to the Ground Lease execution.
- 10) Release of Escrow.

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ADOPTED, by the Board of Commissioners and signed in authentication of its  
passage on the 13<sup>TH</sup> day of July 2011.

ATTEST:



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Adrienne Todman  
Executive Director/Secretary

APPROVAL:



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Angie Rodgers  
Vice Chairman

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:



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Hans Froelicher  
General Counsel

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