REEVES CENTER REDEVELOPMENT: PRIVATIZATION OF VALUABLE PUBLIC LAND AT U & 14TH STREETS FOR NOMINAL PAYMENT & NEAR ZERO FAMILY SIZED HOUSING

2000 14th Street NW • Square 204, Lot 844, plus related air-rights parcel • Based on the supplied deal analysis and cited deal documents.

WHAT THE PUBLIC GIVES UP

The District is putting approximately 97,600 square feet (2.24 acres) of public property into a private redevelopment deal. The ***Office Parcel*** is conveyed to the developer in **permanent fee-simple ownership.** The ***Residential Parcel*** is **leased for 99 years**, leaving the District with the underlying land interest but ceding long-term control. The deal may also involve assignment or acquisition of the existing Lot 7000/Geno Baroni air-rights lease. The package does not state the fair-market value or provide an appraisal of the District land.

WHAT THE DEVELOPER PAYS / RECEIVES

Public asset / term	Developer payment in LDDA	What the developer gets
Office Parcel	$1 total	Permanent ownership of the parcel (fee simple).
Residential Parcel	$99 prepaid for 99 years ($1/year)	99-year ground lease; District retains underlying fee ownership.
Combined direct land consideration	**$100 total**	Large mixed-use development opportunity, with residential, hotel, office, arts/cultural, retail, parking and plaza components.

Payment discrepancy: the CFO Fiscal Impact Statement lists $990 for the 99-year ground lease, while the LDDA states $99. The supplied documents do not reconcile the difference.

PUBLIC SUBSIDY / FINANCING IDENTIFIED

The deal analysis identifies up to $32 million in approved District tax-increment financing (TIF) according to the CFO; $12.6 million in Housing Production Trust Fund (HPTF) is sought/proposed; $26.596 million in federal and DC Low-Income Housing Tax Credits and $15 million in New Markets Tax Credits appear in the Option A funding plan. Together with the $32M TIF figure, these total about $86.2 million in identifiable public support/financing, but not all is committed and the categories are not all direct District cash. The plan separately shows $63.5 million TIF, conflicting with the CFO's up-to-$32M figure. Do not present $86.2M as a confirmed subsidy total. The plan also lists $10M in DC tax-exempt bonds (debt financing, not simply a subsidy).

HOUSING PROMISE — AND THE FAMILY-SIZED GAP

Option A (with Geno Baroni air rights): 322 homes, 97 affordable, 225 market-rate. Option B (without those air rights): 285 homes, 86 affordable, 199 market-rate. The affordable commitment is about 30% of homes. However, the affordable housing plan lists only ONE affordable 3-bedroom unit under either option (and two market-rate 3-bedroom units). Thus, the number of promised affordable family-sized units with 3 or more bedrooms is ONE in either option, based on the supplied plan.

KEY PUBLIC-ACCOUNTABILITY QUESTIONS

• Why is the land transferred/leased for nominal consideration without a stated land appraisal? • Which TIF figure is correct: up to $32M or $63.5M in the funding plan? • What safeguards constrain the provision allowing DHCD/the Agency to extinguish the affordability covenant before 99 years? • Is the contemplated ~50,000-SF District office lease actually guaranteed? • Why does a project with 86–97 affordable homes provide only one affordable 3-bedroom unit?

Source basis: Reeves Center Redevelopment — Comprehensive Deal Analysis, especially pp. 1–4, 7, 9–11, 14, 20–27. Figures and qualifications follow that analysis; land market value is not stated in the reviewed package.