

Government of the District of Columbia
ADVISORY NEIGHBORHOOD COMMISSION 3F
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RESOLUTION REGARDING UDC'S LEASE AND POTENTIAL PURCHASE OF 4250 CONNECTICUT AVENUE, NW

December 18, 2018

WHEREAS, the University of the District of Columbia (UDC) seeks approval from the Council of the District of Columbia (Council) for its agreement to lease and option to purchase (the Sublease Agreement) the building at 4250 Connecticut Avenue, NW (4250 Connecticut); and

WHEREAS, 4250 Connecticut is a 202,000 square foot, seven-story office building with ground level retail centrally located within the Van Ness corridor that ANC 3F, city agencies including the Office of Planning (OP) and others, and community groups including Van Ness Main Street (VNMS) and other stakeholders have devoted significant resources and time toward activating; and

WHEREAS, the Council's approval of UDC's lease and purchase agreement for 4250 Connecticut would result in UDC controlling over 85% of un-activated retail space in Van Ness;

WHEREAS, certain UDC properties, located at 4250, 4340 and 4225 Connecticut Avenue (the Connecticut Avenue Properties), have been identified by HR&A's Van Ness Retail Strategy study (the Retail Study), a February 2018 study undertaken in partnership by UDC, VNMS and Bernstein Management Corporation (BMC), as key retail real estate that should be activated to foster economic development in the Van Ness corridor of Northwest Washington, DC;

WHEREAS, the Retail Study identified 4250 Connecticut has the potential to generate an additional \$4.9 million in annual spending within the ANC 3F community; and

WHEREAS, realizing that additional \$4.9 million in annual spending in Van Ness would provide substantial benefits to the local ANC 3F and greater Washington, DC communities, including but not limited to increasing the city's overall tax base; and

BELIEVING, the Council has a duty to District taxpayers to ensure that all elements of revenue, and expenditure are managed effectively and in furtherance of in line with sound and sustainable long-term economic policy; and

WHEREAS, UDC representatives have repeatedly expressed their commitment to activate the retail spaces at its Connecticut Avenue Properties in discussions with the ANC 3F community,

including at recent ANC meetings on October 16th, 2018 and November 20th, 2018; and

WHEREAS, UDC has executed a Letter of Intent (LOI) at the request of the Council that, while not legally binding, sets forth the goals, timing, and parameters by which UDC commits to activate its Connecticut Avenue Properties;

WHEREAS, ANC 3F and the surrounding community negotiated with BMC and secured specific community benefits at 4250 Connecticut, including a commitment to construct aesthetic improvements to building's north façade; construct sustainability improvements including green roofs and new pervious paving areas; provide community access to and use of the space on the west side of the building; and coordinate with WMATA to provide at least four kiss and ride spaces in the former bus driveway behind 4250; and

WHEREAS, UDC has indicated that it does not currently have the funds to honor the commitments made by BMC to the ANC 3F community; and

STRESSING, that approval of the Sublease Agreement will cease plans previously presented by BMC to the Commissioners of ANC 3F and to the community at-large, to activate the retail space at 4250 Connecticut Avenue, invest substantial resources to upgrade the building at 4250 Connecticut Avenue and make available public parking.

NOW THEREFORE BE IT RESOLVED, that ANC 3F requests the Council advocate for and emphasize the community's expectation that UDC will meet the milestones and commitments expressed in its LOI, specifically the following parameters:

- UDC shall commence, in January 2019, the formal process to hire an experienced, active and reputable third-party retail broker or brokerage firm (the "Broker") and will hire such a Broker within seven (7) months of approval of the Sublease Agreement by the Council;
- UDC shall instruct the Broker to seek a mix of retail tenants as recommended in the Retail Study;
- UDC shall make a good faith effort to consult with VNMS on potential retail tenants under consideration;
- UDC shall offer prospective retail tenants lease rates, concessions, and tenant improvement allowances, consistent with the market, condition of the space to be occupied, and as appropriate in UDC's judgment, incentives to attract particularly desirable tenants; all to facilitate the lease-up of the Retail Spaces in balance with the interests of the Van Ness community, which includes local residents and current/future businesses, as well as UDC staff, faculty and students;
- UDC shall, in good faith and with input from VNMS, endeavor to execute signed leases for the Retail Spaces within twenty-four (24) months of the approval of the Sublease Agreement by the Council, recognizing that actual occupancy may occur later if there is a need to construct improvements to the retail spaces at its Connecticut Avenue Properties;

- In order to attract quality retail in the retail space at 4250 Connecticut Avenue, UDC shall offer approximately 40 parking spaces in the upper parking level exclusively for the use of customers of the retail tenants; and

BE IT FURTHER RESOLVED, that tangible actions toward meeting the LOI's parameters and clear measurements of that progress should be included within UDC's upcoming revision to its master plan in 2019; and

BE IT FURTHER RESOLVED, that ANC 3F requests the Council help ensure that approval of UDC's lease and purchase of 4250 will not halt the strides that Van Ness and the ANC 3F community has made over the past few years by providing earmarked operating and capital funds as necessary for UDC to hire an experienced, active and reputable third-party retail broker to activate the retail spaces at its Connecticut Avenue Properties; and

BE IT FURTHER RESOLVED, that ANC 3F requests the Council to help ensure that approval of UDC's lease and purchase of 4250 will not halt the strides that Van Ness and the ANC 3F community has made over the past few years by providing earmarked operating and capital funds as necessary for UDC to offer prospective retail tenants lease rates, concessions, and tenant improvement allowances and other incentives in the same manner as a for-profit property owner or manager would typically employ to secure desirable tenants; and

BE IT FURTHER RESOLVED, that ANC 3F requests the Council, UDC and BMC to seek approval from WMATA to open the former busway behind 4250 to non-WMATA traffic, and to provide at least four Kiss-and-Ride spaces for short term pick up/drop off of Metro passengers; and

BE IT FURTHER RESOLVED, that ANC 3F requests the Council to earmark funds for UDC to honor the community benefits pledged provide our community by the property owner, specifically aesthetic improvements to 4250 Connecticut's north and east facades and; sustainability improvements including green roofs and new pervious paving areas; and

BE IT FURTHER RESOLVED, that ANC 3F requests the Council earmark funds to complete the improvements proposed by OP to Veazey Terrace, NW on the west side of Connecticut; and

BE IT FURTHER RESOLVED, that Commissioner David Dickinson is authorized to speak on behalf of ANC 3F on this matter.

ANC 3F PASSED this resolution at its meeting on December 18, 2018, which was properly noticed and at which a quorum was present, by a vote of 5 in favor, Q opposed, and Q abstaining.



David Dickinson
Vice-chair, ANC