

# The Big K Site

## Update and Property Disposition Process

DHCD Public Hearing  
March 20, 2013



# 2012 Activities

- Historic Preservation Review Board approved the raze of 2228 MLK, Jr. Ave., SE
- 2228 MLK Jr. Ave., SE was demolished
- Significant stabilization (shoring up and protection) of 2234 and 2238 MLK Jr. Ave., SE



# Big K Solicitation

- Solicitation issued on 6/4/12
  - Solicitation referenced previous studies and community input
- Proposals due 9/7/12
- 2 proposals were received, one was non-responsive
  - Selection Committee made the decision to review the one responsive proposal
- 1<sup>st</sup> Selection Committee meeting 9/20/12
- Developer interview 9/27/12
- Final Selection Committee meeting 10/26/12

# Selection Process

- Proposal was reviewed and evaluated based on:
  - Responsiveness to commercial development
  - Track record
  - Proposed development team members
  - Attention to community engagement process
  - Attention to historic preservation
  - Willingness to work with DHCD to refine the concept
  - Access to capital/financing

# Proposal

- Concept
  - Medical office space
  - Ground floor retail
- Development Team
  - Chapman Development (Developer)
  - American Management Corporation (Developer/CBE)
  - PGN Architects (Design)
  - Bozzuto Construction (General Contractor)
  - Bozzuto Management Company (Management)

- Developer (Chapman) Track Record
  - The Olympia, 1368 Euclid St., NW (historic rehab, housing)
  - Totten Towers, 2633 16<sup>th</sup> St., NW (affordable housing)
  - The Grays on Pennsylvania, 2323 Pennsylvania Ave., SE (affordable housing, grocery store)
  - Lotus Apartments, 800 Kenilworth Ave., SE (housing)

# Selection/Award Process

- The Selection Committee agreed to award the property, **conditionally**, to Chapman Development LLC
  - Conditioned on an updated market study that will indicate site-specific highest and best use, and
  - Agreement on a revised concept
- Award letter issued to Chapman Development on 11/1/12

# Property Disposition Agreement

- Next step is to sign a Property Disposition Agreement (PDA)
  - Allows the developer to engage in pre-development activities
- Conditional PDA has been signed by the developer
  - New entity established: 2228 MLK LLC
- Once the Conditional PDA is fully executed, 2228 MLK LLC will order market study
  - 60 days for results

# Next Steps

- Developer and DHCD will review market study results
- Final concept to be based on highest and best use
- Developer will submit updated concept
- Selection committee will reconvene to review and make final decision

# Finalizing the Concept

- If an agreement is reached and the project moves forward, PDA will be amended to describe the approved concept.
- If developer and DHCD cannot reach an agreement on final concept, PDA will be cancelled and a new solicitation will be issued.

# Community Engagement

- 2<sup>nd</sup> public hearing when PDA is amended
  - Amended PDA signed by the developer
  - DHCD does not execute until after the public hearing
  - Developer will present full proposal
- Developer will submit a community engagement plan for the pre-development stage

# Pre-Development Phase

- Environmental work
- File for permits
- HPRB review and approval
- Design development

# Property Transfer

- Anticipated closing and transfer of the property will take place in approximately 18 months after (updated) PDA is finalized and executed.
- Work commences once property is transferred to developer

For additional information, contact:

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