

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to amend Chapter 12 of Title 2 of the District of Columbia Official Code to amend the statute authorizing the issuance of bonds relating to the Skyland Shopping Center and to authorize the Deputy Mayor for Planning and Economic Development to issue a grant in Fiscal Year 2024 to support the completion of the Skyland project.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Skyland TIF Amendment Emergency Declaration Resolution of 2024”.

Sec. 2. (a) In 2014, Council authorized up to \$40 million in Tax Increment Financing (TIF) for the development of Skyland Town Center in the Skyland Town Center Omnibus Act of 2014 (D.C. Law 20-110, § 201; 61 DCR 4315).

(b) The project was divided into three phases: Phase 1 was a 263-unit apartment building with 84,500 square feet of retail space; Phase 2 was 42,000 square feet of community-serving retail space; Phase 3 will be 126 for-sale townhomes, 75 affordable apartments for seniors, and approximately 8,000 square feet of retail space. Phase 1 topped-out in July of 2019. Phase 2 fully leased all retail space in September of 2023. Phase 3 is ready to begin construction.

(c) Due to market conditions, funding provided by the TIF no longer supports the anticipated timeline of the third and final phase which will complete the Skyland Town

34 Center project. The Deputy Mayor for Planning and Economic Development (DMPED)
35 proposes a partial conversion of \$15 million from the original \$40 million TIF
36 authorization.

37 (d) Phase 3 has received the necessary permits and zoning approvals to begin
38 construction. Without the timely receipt of funds, this phase will languish and jeopardize
39 the completion of the project. Additionally, the developer will face financial hardship
40 from either being forced to take out loans to complete the project in a timely manner or
41 risk failure of the project.

42 (e) In 2023, the developer completed a refinance of a portion of the project
43 investing significant new private capital into Skyland Town Center, demonstrating their
44 continued commitment to bringing the District's original vision to fruition. The developer
45 continues to actively support the completion of this project, but a quicker delivery of
46 already planned financing for this project is necessary for timely completion.

47 Sec. 3. The Council of the District of Columbia determines that the circumstances
48 enumerated in section 2 constitute emergency circumstances making it necessary that the
49 Skyland TIF Amendment Emergency Declaration Resolution of 2024 be adopted after a
50 single reading.

51 Sec. 4. This resolution shall take effect immediately.