

Gray redirects funding slated for Pennsylvania Avenue SE redevelopment

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PHOTO BY JOANNE S. LAWTON

City officials had hoped to use The Grays on Pennsylvania as a model for redevelopment of the other half of the block, shown here. But the city is redirecting \$1.1 million allotted to stimulate private investment there.

L'Enfant Square, including the 2300 block of Pennsylvania Avenue SE steps from the John Philip Sousa Bridge, could be a grand gateway to the District's East of the River communities and a major piece of the Pennsylvania Avenue Great Streets puzzle.

But D.C.'s plan to revitalize much of that block, half of which is consumed by Chapman Development LLC's The Grays on Pennsylvania and the other half by aging, mostly-vacant storefronts, seems to have stalled with the government's purchase in 2009 of a small, one-story building.

The half block of 2300 Pennsylvania still to be developed includes a mattress store, liquor store, a shuttered car wash and a closed seafood takeout joint. But in recent weeks, Mayor [Vincent Gray](#) removed \$1.1 million from a capital fund created to stimulate private investment there "through the elimination of vacant, abandoned and blighted land and buildings."

The project, which “requires acquisition of property through friendly sale or eminent domain, redevelopment or razing of existing structures, site prep for new private developments, and facade and related improvement,” does not appear in the fiscal 2012 budget. The \$1.1 million, if Gray’s “reprogramming” survives an unrelated D.C. Council hold, will be used instead for an emergency \$3.5 million project to repair outdated elevators at One Judiciary Square.

[Timothy Chapman](#) of Chapman Development said his commitment to the block, and, he believes, the commitment of the Gray administration, hasn’t waned. Chapman said he “absolutely” wants to extend The Grays, or build something like it, to the end of the 2300 block.

“I don’t think it’s stuck,” Chapman said. “We’re having ongoing conversations with the deputy mayor’s office on how to best develop the block. I know there’s a commitment on the administration’s behalf of seeing something done there.”

Chapman said he has an offer in to one property owner in the 2300 block and is in occasional discussions with a group of individuals who own multiple parcels there. The District purchased its building, 2337 Pennsylvania Ave. SE, on Jan. 13, 2009, from [Albert B. Willson Jr.](#) of Fairfax for \$644,690. That storefront is assessed by the District’s tax office at \$170,730.

The revitalization of L’Enfant Square will require investments from both the public and private sectors, Chapman said, but given the tight budget times, the \$1.1 million might as well be spent elsewhere because it isn’t needed now.

[Jose Sousa](#), spokesman for the deputy mayor for planning and economic development, said his office remains “committed to making sure we continue the revitalization of that corridor.”

“We’re open to the opportunities that the corridor presents,” Sousa said. “I think we’re most ready to be pitched around what some of the plans are and what are the needs for that space.”

The Pennsylvania Avenue Great Streets development plan envisioned L’Enfant Square as a “smaller-scale retail core focusing on convenience retail, boutique retail and restaurants,” with up to 40,000 square feet of boutique office space and 400 to 800 new multifamily units. It is a “gateway,” as thousands of vehicles pass through the intersection of Pennsylvania and Minnesota avenues every weekday.

It is a “dramatic vision for an area that is currently dominated by traffic, marked by underutilized and vacant properties with gas stations at prominent locations and lacking a continuous building line,” the plan, adopted in 2007, states.

Community leaders, however, are losing patience. “There’s a lot of talk about doing things, and we have yet to see it,” said [Paul Savage](#), a resident of the Hillcrest community who organized a task force nearly a decade ago to revitalize Pennsylvania Avenue east of the Sousa Bridge. “That’s the story of those who live East of the River.”

Savage said he wants the District to take a more comprehensive view of the Pennsylvania Avenue corridor, to spur quality private investment simultaneously with a publicly driven upgrade of the road and infrastructure. That’s the idea behind the Great Streets program — to revitalize the District’s grand avenues in concert with the community — but it’s a slow process.

“I understand what needs to be done,” said Savage, who chaired [Anthony Williams](#) first mayoral campaign. “We don’t get the support that we need.”

<http://www.bizjournals.com/washington/print-edition/2011/08/26/gray-redirects-funding-slated-for.html>

EB0-EB402-PENNSYLVANIA AVENUE SE PROPERTIES

Agency: DEPUTY MAYOR FOR ECONOMIC DEVELOPMENT (EB0)
 Implementing Agency: DEPUTY MAYOR FOR ECONOMIC DEVELOPMENT (EB0)
 Project No: EB402
 Ward: 7
 Location: 2300 BLOCK OF PENNSYLVANIA AVE SE
 Facility Name or Identifier:
 Status: In multiple phases
 Useful Life of the Project:
 Estimated Full Funding Cost: \$0

Description:

The purpose of this subproject is to stimulate private investment in the Pennsylvania Avenue, SE corridor through the elimination of vacant, abandoned and blighted land and buildings. Location is the 2300 blk of Pennsylvania Ave SE. Scope requires acquisition of property through friendly sale or eminent domain, redevelopment or razing of existing structures, site prep for new private developments, and facade and related improvement.

Justification:

-

Progress Assessment:

-

Milestone Data	Projected	Actual
Environmental Approvals		
Design Start (FY)		
Design Complete (FY)		
Construction Start (FY)		
Construction Complete (FY)		
Closeout (FY)	09/30/2011	

Related Projects:

-

(Dollars in Thousands)

Phase	Funding By Phase - Prior Funding					Proposed Funding						
	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	6 Yr Total
(02) SITE	2,000	0	0	0	2,000	0	0	0	0	0	0	0
(03) Project Management	1,824	730	357	0	737	400	0	0	0	0	0	400
(04) Construction	2,011	2,011	0	0	0	3,000	0	0	0	0	0	3,000
TOTALS	5,835	2,741	357	0	2,737	3,400	0	0	0	0	0	3,400

Source	Funding By Source - Prior Funding					Proposed Funding						
	Allotments	Spent	Enc/ID-Adv	Pre-Enc	Balance	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	6 Yr Total
GO Bonds - New (0300)	3,835	2,741	357	0	737	3,400	0	0	0	0	0	3,400
Pay Go (0301)	2,000	0	0	0	2,000	0	0	0	0	0	0	0
TOTALS	5,835	2,741	357	0	2,737	3,400	0	0	0	0	0	3,400

Additional Appropriation Data	
First Appropriation FY	2006
Original 6 Year Budget Authority (\$000)	7,000
Budget Authority Thru FY 2010 (\$000)	9,235
FY 2010 Budget Authority Changes	
Redirection	-3,400
Current FY 2010 Budget Authority (\$000)	5,835
Budget Authority Request for FY 2011 (\$000)	9,235
Increase (Decrease) to Total Authority (\$000)	3,400

Estimated Operating Impact							
Expenditure (+) or Cost Reduction (-)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	6 Year Total
No estimated operating impact							