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Anthony Hood, Chairperson
D C Zoning Commission
441 4th Street, NW
Suite 210
Washington, DC 20036

ZONING COMMISSION
District of Columbia
CASE NO. 05-38A
EXHIBIT NO 24

Re: Zoning Commission Case No. 05-38A; Post-Hearing Submission

Dear Chairperson Hood and Members of the Commission

On September 29, 2008, the Zoning Commission held a public hearing on the above-referenced application. At the close of the hearing, the Zoning Commission requested additional information regarding the Applicant's benefits and amenities package. Specifically, the Commission asked whether the Applicant would consider increasing its monetary proffer to renovate the Town Center West Park and it asked for more information on its former proffer to provide a discount to residents interested in buying a condominium in the project. The Commission closed the record with respect to all other matters. Accordingly, the Applicant files its post-hearing submission in response to the requested information.

Town Center West Park

Since the approval of its Planned Unit Development ("PUD"), the Applicant has retained the services of the original designers of the Town Center West Park ("Park"), Wallace Roberts Todd ("WRT"), to assess the current conditions of the Park and to recommend steps to utilize the Park as a true community amenity. The study yielded a series of recommended repairs and renovations. The Applicant took WRT's recommendations and prepared a preliminary cost estimate to determine the expense in effectuating the recommendations, a copy of which is

attached as Exhibit A. It determined it would cost \$178,500 to provide a meaningful renovation of the Park. At the public hearing on September 29, 2008, the Office of Planning and the Zoning Commission expressed concern that any rise in construction or material costs could undermine the renovation of the Park. They asked that the Applicant consider reserving additional funds to ensure the Park's renovation.

To that end, the Applicant will reserve an additional \$71,500 in contingency funds to guarantee the renovation of the Park. The Applicant will use the additional funds to complete the work in the event the \$178,500 reserved for renovating the Park is not sufficient, increasing the contribution potentially to a total of \$250,000. The Applicant is capping its contribution for the renovation of the park at \$250,000. The Applicant will work with the property owner to prioritize the renovations it will undertake. With the contingency fund in place, there will be sufficient funds to establish the Park as a true community amenity.

The Applicant reviewed this proposal with the Office of Planning and the Office of Planning supports this approach. The Applicant has also confirmed that the Office of Planning agrees that the renovation of the Park needs to be completed prior to the issuance of a Certificate of Occupancy for the first new residential building in the project.

Valuation of Previous Condominium Purchase Discount Program

In light of current market conditions, the Applicant is no longer offering condominiums in connection with this project. A part of the benefits and amenities package in the original PUD was to provide current residents of Marina View an opportunity to purchase a unit at a discounted price. The Applicant valued this amenity at 3.2 million dollars; it believed the market-rate value of the residential units would be \$525 per square foot and it offered existing residents the opportunity to purchase the units for \$425 per square foot, a savings of \$100 per square foot. Although Zoning Commission Order No. 05-38 does not explicitly state that the discount was from \$525 to \$425 per square foot, it was clear in the Applicant's testimony before the Commission at the public hearing. Attached as Exhibit B is an excerpt of the transcript from the hearing wherein the Applicant testifies that the market rate for the units was expected to be in the range of \$525 to \$570 and the discount would be taken from those numbers.

Eliminating this program as an amenity has not created a windfall for the Applicant, the money has simply evaporated along with the decline in the real estate market. Nevertheless, the Applicant is still offering the 19 tenants who expressed interest in the condominium purchase program an opportunity to return to Marina View in the event the Applicant establishes condominiums in the future. Those individuals will be able to return within three years of the date of the first sale of a condominium unit and purchase a condominium unit at a 20% discount from the market rate. The Applicant believes it has provided generous adjustments to its benefits.

and amenities package in order to compensate for eliminating the condominium purchase program

Conclusion

The Applicant believes that the modifications proposed in this application are consistent with the approval of the original PUD. Accordingly, it respectfully requests that the Commission approve Case No. 05-38A.

Sincerely,



Paul Tummonds


Christine Roddy

Attachments


Certificate of Service

I certify that a copy of the foregoing document was delivered to the following addresses by hand-delivery or first-class mail on October 14, 2008

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Christine Roddy

Marina View
Town Center Park – West Park
Repairs and Renovations
Preliminary Cost Estimate
June 2, 2008

<u>Design Stage</u>		<u>Cost</u>
1	Field Survey – Wiles Mench	\$7,500 00
2	Landscape Architecture - Wallace Roberts & Todd	\$40,000 00
3	Ex Utility location and evaluation – Insight	\$5,000 00
4	Tree Evaluation – The Care of Trees	\$4,500 00
5	Existing lighting evaluation – Richter	\$2,500 00
6	Permit and bonding fees	<u>\$7,500 00</u>
	Subtotal	\$67,000 00
<u>Construction Stage</u>		<u>Cost</u>
1	General demolition & clean up	\$7,500 00
2	Tree removal and pruning	\$10,000 00
3	Tree preservation and enhancement	\$4,500 00
4	General planting bed enhancement	\$5,000 00
5	Irrigation system installation	\$10,000 00
6	Turf grass installation	\$2,000 00
7	Native ground cover installation (100 @ \$10)	\$1,000 00
8	Shrub installation (25 @ \$40)	\$1,000 00
9	Ornamental tree installation (10 @ \$150)	\$1,500 00
10	Pond basin inspection and repairs	\$5,000 00
11	Pond fountain inspection and repairs	\$3,500 00
12	Storm drain system flush & repairs	\$2,500 00
13	Site lighting inspection and repairs	\$2,500 00
14	Bench replacement (24 @ \$500)	\$7,500 00
15	Water fountain replacement (1 @ \$1,000)	\$1,000 00
16	New play equipment	\$7,500 00
17	New timber bench	\$2,500 00
18	Accessibility handrails	\$2,000 00
19	New entry at Northeast alcove	\$10,000 00
20	Retaining wall repairs	\$20,000 00
21	Concrete flatwork repairs	<u>\$5,000 00</u>
	Subtotal	\$111,500 00
	Project total	\$178,500 00

2 retail and then five car share spaces.


3 MR SKOLNIK But the elevator
4 only goes to those --

5 MR BROCK Right It just goes
6 down one floor

7 MR SKOLNIK Okay. The Metro car
8 share subsidies Are those for all residents
9 or just new residents?

10 MR BROCK They're going to be
11 for all residents

12 MR SKOLNIK Okay I have some
13 questions about the benefits

14 And how did Fairfield specifically
15 arrive at the discount price it's offering to 
16 the current residents and was that negotiable?

17 MR BROCK It was actually not a
18 negotiable number We looked at the three
19 options and decided based upon talking to
20 everyone, we wanted to offer an attractive
21 package to everyone, not just the condo
22 discount, not just the rental So, what we
23 did is we took a survey using a couple of

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2 different marketing companies on what a
3 current new condo project would cost in
4 southwest D C right on the water, right on
5 the Metro. Came to about a number depending
6 on the marketing company of about \$525 to \$570
7 a square foot We went with the lower number,
8 backed off of that and came up to about a \$425
9 a foot number So, the \$100 off a foot is
10 that and that's how we came to the condo
11 discount number

12 If you look at \$100 a foot
13 averaging in size about 640 I don't have my
14 exact notes in front of me And that's
15 \$64,000 Each unit is discounted, multiply
16 that by the 50 or so residents and you come up
17 to the \$3 2 million number

18 MR. SKOLNIK Okay And that \$100
19 discount is locked in?

20 MR BROCK As of right now Yes
21 It is locked in

22 MR SKOLNIK And would there be
23 any opportunities for that to change or --

2 MR BROCK. No 

3 MR SKOLNIK As it is right now

4 Okay

5 What is the actual numbers of
6 potential buyers, renters, you say it's a
7 third to a third, a third? So, what was the
8 breakdown?

9 MR BROCK It's about 50/50/50
10 I think we're at 147 residents Units
11 occupied

12 MR SKOLNIK So, you anticipate a
13 hundred then who would be actually standing on
14 site?

15 MR BROCK Yes That's what
16 we're thinking

17 MR SKOLNIK What is your
18 information on the condo conversion vote in
19 that process?

20 CHAIRPERSON MITTEN What's the
21 question?

22 MR SKOLNIK The condo
23 conversation vote The tenants voting on