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December 16, 2009

By Hand Delivery

Anthony Hood, Chairperson
D.C. Zoning Commission
441 4th Street, N.W.
Second Floor
Washington, D.C. 20001

Re: Zoning Commission Case No. 08-24 and 08-24A/04-25 – Abdo Development, LLC and The Catholic University of America – Response to Issue Raised at December 14, 2009 Zoning Commission Public Meeting

Dear Chairperson Hood and Members of the Commission:

In response to an issue that was raised at the December 14, 2009, Zoning Commission public meeting, Abdo Development, LLC and The Catholic University of America (collectively, the “**Applicant**”) hereby propose a revised Condition No. 16 of the proposed Findings of Fact and Conclusions of Law for the above referenced PUD application. Condition No. 16 addresses the proposed lease rental rates for the artist studio spaces in Block C of the project.

The Applicant apologizes for any confusion regarding proposed Condition No. 16. The Arts Walk was initially proposed as an amenity of the PUD project, in and of itself. The Applicant did not ascribe a monetary value to the creation of the artist studio spaces. However, during the Public Hearing on October 5, 2009, the Zoning Commission suggested that the Applicant calculate a dollar value for this amenity along with several other amenities, such as the reconfiguration of two intersections. In response, the Applicant presented a value calculation for the artist studio spaces in its post-hearing submission filed on October 26, 2009. This calculation assumed an estimated subsidy of 50% against market rate retail rents, which was a defacto subsidy based only on the estimated difference between market rents for artist studio space and comparable retail space. The Applicant’s intent was that the Zoning

ZONING COMMISSION
District of Columbia
CASE NO. 08-24
EXHIBIT NO. 73

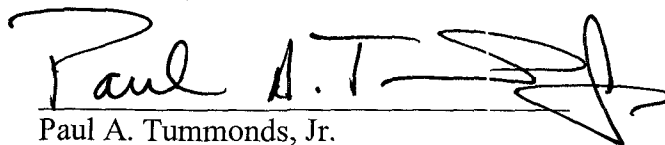
Commission would understand that this calculation was to be used as an estimate. The Condition No. 16 that was included in the draft Findings of Fact and Conclusions of Law submitted into the record of this case reflect this belief and the initially proposed Condition No. 16 was not intended to step back from any commitments previously made by the Applicant.

Although the Applicant does not believe that it had committed to a specific subsidy, the Applicant understands the Commission's concerns and its desire to maintain the affordability of the artist studio space for its intended users. Therefore, the Applicant is willing to accept a defined subsidy and proposes the following revised Condition No. 16. The Applicant believes this revised condition meets the goal of maintaining affordability for the artist studios without penalizing the Applicant for potentially variable retail rents over the life of the improvements or hampering the ability of the Applicant to obtain financing for the overall development.

16. Each occupied artist studio in Block C shall be rented at a dollar/sf net monthly lease rate not to exceed 50% of the average dollar/sf net monthly rent charged to occupied retail space in the project along Monroe Street at the time of lease execution for each artist studio. Notwithstanding the foregoing, this condition shall not require the artist studios to be rented at a monthly net rate less than \$1.50 per net leasable square foot, said rate being escalated by the CPI-U factor commencing with the date of this Order. This condition shall apply for the life of the improvements on Block C.

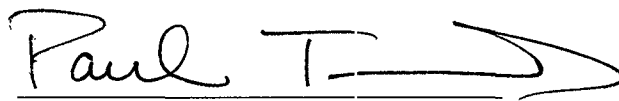
We look forward to the Zoning Commission taking Final Action on this application at the December 21, 2009 Public Meeting.

Respectfully submitted,


Paul A. Tummonds, Jr.

Certificate of Service

I certify that on December 16, 2009, a copy of the foregoing document was hand delivered to the addressees listed below.


Paul Tummonds

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