

June 30, 2010

VIA HAND DELIVERY

Mr. Anthony Hood
Chairperson
D.C. Office of Zoning
441 4th St. NW, Suite 210S
Washington, DC 20001

RECEIVED
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2010 JUN 30 PM 4:31

Re: **Zoning Commission Case No. 09-03; Skyland Holdings LLC (the
"Applicant") - Information Requested at the June 28, 2010 Zoning
Commission Public Meeting**

Dear Mr. Hood:

This letter and the attached document respond to the comments provided by the Zoning Commissioners at the June 28, 2010 Public Meeting. The two issues that the Zoning Commission asked the Applicant to address are: (i) the date of the expiration of the Order in this case; and (ii) the timing of the various financial and in-kind service contributions for the proffered benefits and amenities. In response to those comments, the Applicant has revised Condition No. 2 and Condition No. 17 of the proposed conditions that were submitted to the Zoning Commission on June 18, 2010. All of the other conditions of approval proposed by the Applicant in its filing of June 18, 2010 remain the same.

A description of the proposed changes to Condition Nos. 2 and 17, and the rationale for those changes, are provided below.

Expiration Date - The Zoning Commission requested that the Applicant provide a "date certain" as to when Zoning Commission Order No. 09-03 will expire. As shown in the attached new Condition No. 17, the Applicant must file an application for the final building permit completing the development of the approved PUD project within ten (10) years from the effective date of the Order.

Timing of Financial and In-Kind Service Contributions - The Applicant has revised the conditions related to the financial support for the schools (Condition No. 2a); the sponsorship of local community events and programs (Condition No. 2b); the contribution to the Anacostia and Francis Gregory Libraries (Condition No. 2e); and the improvements to the Pocket Park at 25th Street and Naylor Road

ZONING COMMISSION
District of Columbia

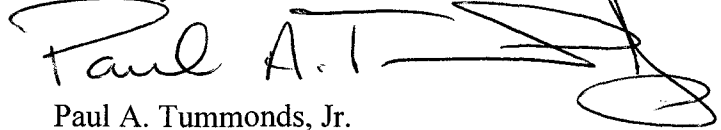
CASE NO. 09-03
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(Condition No. 2f), such that the majority of these benefits will be provided in the first five years after the PUD is approved.

In regard to the contractor loan fund (Condition No. 2c); the local retailer build-out subsidy (Condition No. 2d); the job training programs (Condition No. 2g); and the homebuying and homeownership classes (Condition No. 2h), the Applicant intends to make these financial contributions in a time period that is proportionate with the actual amount of construction and development activity that occurred in any given year. The Applicant believes that it is appropriate to require that these contributions be made when construction and development activity is actually occurring on the Skyland Property. For instance, if there is no construction activity on the site in any given year, there is no need for a contractor loan fund or a local retailer build-out subsidy in that year.

The Applicant looks forward to working with OAG and OP on these proposed conditions of approval prior to the Zoning Commission taking Final Action at the July 12, 2010 Public Meeting. Please feel free to contact the undersigned if you have any questions regarding this information.

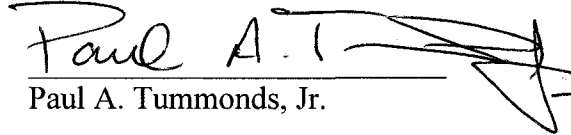
Sincerely

A handwritten signature in black ink, appearing to read "Paul A. Tummonds, Jr.", with a stylized flourish at the end.

Paul A. Tummonds, Jr.

Certificate of Service

I certify that on June 30, 2010, a copy of the foregoing document was delivered via e-mail or standard mail to the addresses listed below.


Paul A. Tummonds, Jr.

Ft. Baker Drive Residents
c/o Martin Sullivan, Esq.
25830 Collins Avenue
Chestertown, MD 21620 (Via E-Mail)

ANC 7B
c/o Yvonne Moore, Chairperson ANC 7B
3200 S Street, SE
Washington, DC 20020 (Via Standard Mail)

And

Robert Richards, Vice Chair, ANC 7B
3524 Carpenter Street, SE
Washington, DC 20020 (Via E-Mail)

ANC 8B
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D.C. Office of Planning
c/o Maxine Brown-Roberts
1100 4th Street, SW
Suite E650
Washington, DC 200 (Via E-Mail)

D.C. Office of the Attorney General
c/o Alan Bergstein
1100 15th Street, SW
Suite 800
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REVISED CONDITIONS TO ADDRESS COMMENTS PROVIDED AT THE JUNE
28, 2010 ZONING COMMISSION PUBLIC MEETING –

(NEW LANGUAGE IS IN **BOLD AND UNDERLINED**)

2. The Applicant shall make the following financial, or in-kind service, contributions:

a. Financial Support to Schools: The Applicant shall make in-kind service or financial contributions, with a value of \$200,000, to support schools located within the geographic boundaries of ANC 7B and 8A for aesthetic improvements and to participate in initiatives such as “Buff and Scrub.” The Applicant expects that these in-kind service or financial contributions will be made over the entire time period of the development of the project, as discussed in Condition No. 17. Starting from the date that is one year after the effective date of this Order, and on an annual basis thereafter, the Applicant will provide evidence to the Zoning Administrator as to whether any in-kind service or financial contributions were made for this purpose, the recipient of those funds, and the outstanding balance of this contribution. **Not less than 75% of the total amount of this contribution (\$150,000) shall be made by the Applicant within five (5) years of the effective date of this Order. The full amount of this contribution must be made by the Applicant by the time of the issuance of the base building certificate of occupancy for the final component of the project.**

b. Sponsorship of local community events and programs: The Applicant shall establish and administer a \$35,000 fund to sponsor community events such as holiday food drives, community festivals, and other community-promoting activities for the area surrounding the project. The Applicant expects that this contribution will be made over the entire time period of the development of the project, as discussed in Condition No. 17. Starting from the date that is one year after the effective date of this Order, and on an annual basis thereafter, the Applicant will provide evidence to the Zoning Administrator as to whether any contributions were made for this purpose, the recipient of those funds, and the outstanding balance of this contribution. **Not less than 50% of the total amount of this contribution (\$17,500) shall be made by the Applicant within five (5) years of the effective date of this Order. The full amount of this contribution must be made by the Applicant by the time of the issuance of the base building certificate of occupancy for the final component of the project.**

c. Contractor loan fund: The Applicant shall establish and administer a \$300,000 fund that will ensure timely payment for small Certified Business Enterprise and local contractors during construction who cannot otherwise wait for typical draw cycles to be paid. The contractor loan fund will be made available for the entire time period of the development of the project, as discussed in Condition No. 17. Starting from the date that is one year after the effective date of this Order, and on an annual basis thereafter, the Applicant will provide evidence to the Zoning Administrator as to whether any contributions were made for this purpose, the recipient of those funds, and the outstanding balance of this fund. **The annual**

amount of this contribution will be proportionate to the amount of construction activity which occurred in that year. If no construction activity occurred in any given year, the Applicant is not obligated to provide any financial contributions in that year. If any money remains in this fund at the time of issuance of the base building certificate of occupancy for the final component of the project, that money will be added to the retailer build-out subsidy fund.

d. Local retailer build-out subsidy: The Applicant shall establish and administer a \$500,000 fund to subsidize a portion of the build-out costs for Certified Business Enterprise and local retailers opening a store at the Skyland Town Center. The Applicant expects that this contribution will be made over the entire time period of the development of the project, as discussed in Condition No. 17. Starting from the date that is one year after the effective date of this Order, and on an annual basis thereafter, the Applicant will provide evidence to the Zoning Administrator as to whether any contributions were made for this purpose, the recipient of those funds, and the outstanding balance of this fund. **The annual amount of this contribution will be proportionate to the amount of construction activity which occurred in that year. If no construction activity occurred in any given year, the Applicant is not obligated to provide any financial contributions in that year. The full amount of this contribution must be made by the Applicant by the time of the issuance of the last retail certificate of occupancy for the final component of the project.**

e. Anacostia and Francis Gregory Libraries: The Applicant shall provide up to \$50,000 to perform capital improvements, upgrade computers, and provide other services for the Anacostia and Francis Gregory Libraries. The Applicant expects that this contribution will be made over the entire time period of the development of the project, as discussed in Condition No. 17. Starting from the date that is one year after the effective date of this Order, and on an annual basis thereafter, the Applicant will provide evidence to the Zoning Administrator as to whether any contributions were made for this purpose, the recipient of those funds, and the outstanding balance of this contribution. **Not less than 50% of the total amount of this contribution (\$25,000) shall be made by the Applicant within five (5) years of the effective date of this Order. The full amount of this contribution must be made by the Applicant by the time of the issuance of the base building certificate of occupancy for the final component of the project.**

f. Pocket Park at 25th Street & Naylor Road: The Applicant shall improve and maintain, at a value of \$50,000, the existing triangular pocket park at 25th Street and Naylor Road. The maintenance of the pocket park will be provided over the entire time period of the development of the project, as discussed Condition No. 17. The maintenance obligation will commence immediately after the improvements are made. Starting from the date that is one year after the effective date of this Order, and on an annual basis thereafter, the Applicant will provide evidence to the Zoning Administrator as to whether any improvements were made for this purpose. **The Applicant will construct the improvements to the pocket park within five (5) years of the effective date of this Order.**

g. The Applicant shall provide job training programs, at a cost of \$75,000, for residents of Wards 7 and 8 so that they are prepared to apply and interview for jobs with the future retailers at the Skyland Town Center or elsewhere. The Applicant shall maintain a list of trained and qualified job candidates and shall provide that list to all new retailers. The Applicant

expects that this program will be conducted over the entire time period of the development of the project, as discussed in Condition No. 17. Starting from the date that is one year after the effective date of this Order, and on an annual basis thereafter, the Applicant will provide evidence to the Zoning Administrator as to the job training programs that were conducted in the prior year, if any. **The annual amount of this contribution will be proportionate to the amount of construction activity which occurred in that year. If no construction activity occurred in any given year, the Applicant is not obligated to provide any financial contributions in that year. The full amount of this contribution must be made by the Applicant by the time of the issuance of the base building certificate of occupancy for the final component of the project.**

h. The Applicant shall provide home buying and homeownership classes, at a cost of \$75,000, to prepare community members and future residents for purchasing a home, repairing credit, and maintaining a home. The Applicant expects that these classes will be conducted over the entire time period of the development of the project, as discussed in Condition No. 17. Starting from the date that is one year after the effective date of this Order, and on an annual basis thereafter, the Applicant will provide evidence to the Zoning Administrator as to the home buyer training programs or homeownership classes that were conducted in the prior year, if any. **The annual amount of this contribution will be proportionate to the amount of construction activity which occurred in that year. If no construction activity occurred in any given year, the Applicant is not obligated to provide any financial contributions in that year. The full amount of this contribution must be made by the Applicant by the time of the issuance of the base building certificate of occupancy for the final component of the project.**

17. The PUD shall be valid for a period of three (3) years from the effective date of Zoning Commission Order No. 09-03. Within such time, an application must be filed for a building permit for the construction of a building on Block 1, 2, 3, or 4 as specified in 11 DCMR Section 2409.1, **and construction must start within four (4) years of the effective date of Zoning Commission Order No. 09-03 for the Order to remain valid.** An application for the final building permit completing the development of the approved PUD project must be filed within ten (10) years **from the effective date of Zoning Commission Order No. 09-03.**