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ORIGINAL

November 5, 2001

NORMAN M. GLASGOW, JR.
202-419-2460
Internet Address: nglasgow@hklaw.com

D.C. Board of Zoning Adjustment
One Judiciary Square
441 Fourth Street N.W.
Washington, D.C. 20001

RE: BZA Application No. 16387
Application of Square 456 Associates
Request for Modification of the Order As It Relates To The Time Allowed For Use Of The Housing Linkage Funds

Dear Members of the Board:

On behalf of the Applicants, 575 7th Street LLC and 675 E Street LLC, successors in interest to Square 456 Associates, and at the request of Golden Rule Plaza, Inc., ("Golden Rule Plaza"), I hereby submit this request for modification of one of the terms of the Second Modification Order, issued by the Board of Zoning Adjustment ("BZA") on July 12, 2001, in the case of Application and Order No. 16387 ("the Second Modification Order"). The requested modification relates to an extension of time for Golden Rule Plaza's use of the housing linkage funds.

Procedural Background

In the Second Modification Order, a copy of which is Exhibit 1, the BZA granted a six-month extension of time, to expire on December 3, 2001, for Golden Rule Plaza, the beneficiary of $500,000 in housing linkage funds provided by the Applicants, to settle on its construction

BZA
Case No. 16387
Exhibit No. 51

Board of Zoning Adjustment
District of Columbia
CASE NO.16387
EXHIBIT NO.51

financing and draw down the funds held in escrow. The BZA additionally approved Applicants' Motion to Allow the Immediate Release of $250,000 from the Escrow Account to Pay Pre-Construction Costs, on the basis of a guarantee proffered by the Department of Housing and Community Development ("DHCD") to repay the $250,000 to the escrow account by April 2, 2002, if adequate project funding is not secured by Golden Rule Plaza by December 3, 2001. The linkage funds are to assist in the development of Golden Rule Plaza's residential building for low and moderate income senior citizens. The project is located on the west side of New Jersey Avenue N.W., between New York Avenue and K Street, in the Downtown housing priority area.

The Applicants and Golden Rule Plaza now jointly request further Modification of Order No. 16387 to provide an additional one-year extension of time – until December 3, 2002 – for Golden Rule Plaza to settle on its construction financing and draw down the balance of the funds held in escrow. DHCD supports this request and has agreed that its guarantee of repayment of the $250,000 will remain in force. Consistent with the terms of the Second Modification Order, we ask that the BZA extend the repayment due date for DHCD, in the event such repayment becomes necessary, to April 2, 2003. This is four months beyond the settlement deadline for Golden Rule Plaza, the same time span established by the BZA in setting the DHCD repayment due date at April 2, 2002, in the Second Modification Order.

Statement Of Reasons Why The Extension Is Necessary

The additional extension of time is necessary because a change of management at DHCD resulted in a change in a key element of the financing package. Golden Rule Plaza received notice of this change on September 17, 2001, which required Golden Rule Plaza to recalculate financing based upon a DHCD grant of Community Development Block Grant ("CDBG") funds in combination with the issuance of bonds through the D.C. Housing Finance Agency ("DCHFA"). The period of time between September 17 and the deadline date of December 3 is insufficient for Golden Rule Plaza, DHCD, and DCHFA to satisfy the legal and regulatory notice-and-review requirements applicable to CDBG grants and the issuance of bonds.

Until mid-July, 2001, Golden Rule Plaza and DHCD were proceeding toward agreement on all matters necessary to assure closing on the project in advance of the December 3, 2001,

deadline relating to the housing linkage funds. On July 5, 2001, Golden Rule Plaza, through counsel, gave written notice to DHCD of its acceptance of the DHCD position on the final point at issue in the Land Disposition Agreement and Special Warranty Deed. Golden Rule Plaza was prepared to execute the transaction documents with Milton Bailey, then the Director of DHCD.

In meetings with Mr. Bailey and various District officials, alternative financing plans were discussed. These discussions were underway when Mr. Bailey, resigned as Director of DHCD in mid-July and was replaced on July 25, 2001, by Stanley Jackson. This transition delayed the processing of Golden Rule Plaza's funding application. Obtaining the DHCD commitment for financing is essential to proceeding with completing the financial package for this project.

On September 17, 2001, Golden Rule Plaza received notice by letter from DHCD that it would not be able to proceed with the alternative financing plans that had been discussed, and that Golden Rule Plaza should revert to the funding mechanisms that were originally planned. Due to the legal and regulatory notice-and-review requirements applicable to the granting of DHCD funds and the issuance of bonds, there was not sufficient time between September 17, 2001, and December 3, 2001, the housing linkage deadline set by the Second Modification Order, for Golden Rule Plaza to complete its construction financing.

Thus, it is necessary and in the best interests of the District for the BZA to grant an additional extension of time to assure that the Golden Rule Plaza project receives the benefit of the housing linkage funds, as the BZA intended. Golden Rule Plaza exercised all reasonable and diligent efforts to meet the December 3, 2001, deadline established by the Second Modification Order, but cannot do so for reasons beyond its control.

As evidence that Golden Rule will be able to complete the construction financing and draw down the remainder of the escrowed housing linkage funds on or before December 3, 2002, we have attached the following documents (***see*** Exhibit 2, Development Timeline and Budget):

A. A development timeline, jointly agreed to by Golden Rule Plaza, DHCD, and DCHFA; and

B. Project budget, showing a DHCD commitment of no less than $3,500,000, identifying other funding sources with specificity, and providing a schedule of rental rates.

Support Of This Request

Golden Rule Plaza representatives have discussed this request with Advisory Neighborhood Commission 2C, which represents the area that encompasses the site of the Applicants' development and also the Golden Rule Plaza development; Councilmember Jack Evans of Ward 2; DHCD; DCHFA; the D.C. Office of Planning ("OP"), and the Downtown Cluster of Congregations, a housing advocacy organization. Attached please find letters of support, as follows:

- Exhibit 3, letter of support from Councilmember Evans;
- Exhibit 4, letter of support from DHCD; and
- Exhibit 5, letter from Terry Lynch, Executive Director of the Downtown Cluster of Congregations, an advocacy organization which works to expand the supply of affordable housing in the broad downtown area.

ANC 2C is scheduled to consider and vote on this request at its regular meeting on November 7, 2001. The written record of the ANC action will be submitted to the BZA as soon as it becomes available.

Conclusion

The Applicants and Golden Rule Plaza respectfully submit that this extension of time is justified on the same grounds the BZA previously stated. Therefore, the Applicants and Golden Rule Plaza request that Order No. 16387, be modified, on page 4 of the Second Modification Order, to delete the phrase "December 3, 2001" wherever it occurs, and replace it with the phrase, "December 3, 2002", and in the fourth paragraph, to delete the phrase "April 2, 2002" and replace it with the phrase "April 2, 2003".

We further request that the BZA place this matter on the agenda for consideration at its public meeting on December 4, 2001, pursuant to 11 DCMR § 3129.1. Applicants submit that

there is no change to the approved plans and that the only amendment to the Order relates to the timing and performance of Golden Rule Plaza's proceeding with the project.

Respectfully submitted,

HOLLAND & KNIGHT LLP

By: _____
Norman M. Glasgow Jr., Esq.

cc: ANC 2C
Council member Jack Evans
Office of Planning
Department of Housing and Community Development
District of Columbia Housing Finance Agency

November 5, 2001

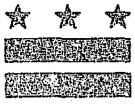
CERTIFICATE OF SERVICE

I hereby certify that on November 5, 2001, a copy of Applicants' letter to the D.C. Board of Zoning Adjustment requesting an extension of time for Golden Rule Plaza, Inc.,'s use of housing linkage funds was served via first-class United States mail, postage prepaid, on all Parties to the case, as follows:

Advisory Neighborhood Commission 2C
Terrell Junior High School/Shaw Terrell Community Center
First and Pierce Streets N.W.
Washington, D.C. 20001

Norman M. Glasgow, Jr., Esq.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
BOARD OF ZONING ADJUSTMENT



Application No. 16387 of Square 456 Associates, pursuant to 11 DCMR §§ 3104.1 and 3103.2 for a special exception under subsection 411.11 to allow roof structures not meeting the normal setback requirements and for a variance from subsection 1706.23(g) to permit commercial development to proceed prior to the issuance of the certificate of occupancy for permitted off-site affordable housing, for the construction of an office, arts, retail, and housing development in a DD/C-4 District at premises 625-627 E Street, N.W.; 620 and 626 F Street, N.W.; and 501-507 and 511-517 7th Street, N.W. (Square 456, Lots 37, 39, 868, and 869).

NOTE: Subsection 1706.22(g) was renumbered to 1706.23(g) on March 17, 2000.

HEARING DATE: **September 2, 1998**

DECISION DATE: **September 2, 1998**

FINAL ORDER: **December 3, 1998**

FIRST MODIFICATION ORDER: **November 16, 2000**

SECOND MODIFICATION ORDER

This matter is before the Board of Zoning Adjustment pursuant to a request filed on May 16, 2001, by the applicants, 575 7th Street LLC and 675 E Street LLC, successors in interest to Square 456 Associates, on behalf of Golden Rule Plaza, Inc. (Golden Rule), the beneficiary of $500,000 in housing linkage funds provided by the applicants pursuant to 11 DCMR § 1706.23, to modify two of the conditions contained in the Board's First Modification Order in this case, dated November 16, 2000. The applicants seek to (1) extend the period of time by which Golden Rule must settle on its construction financing and draw down the housing linkage escrow funds from June 3, 2001, to December 3, 2001; and (2) allow the release of half of the escrow funds to Golden Rule immediately, to be applied to the payment of pre-construction development costs.

After reviewing the request, the Board at its June 5, 2001, public meeting granted the request to modify the first condition, relating to the financing deadline, and allowed the applicants additional time to submit further information relating to the release of the escrow funds. After reviewing the additional information at its July 3, 2001, public meeting, the Board granted the applicants' request to allow the immediate release of half of the escrow funds.

BACKGROUND

In its Final Order dated December 3, 1998, the Board granted Square 456 Associates zoning relief to permit the applicant to construct a commercial and residential development on Square 456. The Square 456 development, located within the DD/C-4 Zone District, also included a housing linkage agreement pursuant to 11 DCMR § 1706.23(g) to construct affordable housing off-site at the Golden Rule Plaza site, located on the west side of New Jersey Avenue between New York Avenue and K Street, N.W., on the edge of Downtown. The Golden Rule project is a 127-unit apartment building for low and moderate-income senior citizens in Housing Priority Area A in the DD/C-2-C Overlay District. Specifically, the Final Order granted the applicant a special exception under 11 DCMR § 411.11 for a roof structure for the Square 456 development and a variance from 11 DCMR § 1706.23(g) to permit the applicant to construct and occupy the nonresidential component of the development prior to the issuance of a certificate of occupancy for the off-site affordable housing component at the Golden Rule Plaza site.

The modification request presently before the Board concerns the affordable housing component. The Final Order contained the condition that:

> Within thirty days after the issuance of the Board's order, the applicant shall place $500,000 in an escrow account for the benefit of Golden Rule Plaza, Inc., to be made available to Golden Rule Plaza, Inc., at the time of settlement on the financing for the low and moderate income housing project to be constructed on the west side of New Jersey Avenue between New York Avenue and K Street. After placing the $500,000 in escrow, the applicant may proceed to construct and occupy the development in Square 456. In the event that the Golden Rule Plaza project has not settled on its financing and drawn down the funds in the escrow account within two years of the date of the Board's order, the applicant shall consult with the Office of Planning to determine an appropriate alternative plan as to how the funds will be used for affordable housing, and shall submit that plan to the Board in an appropriate motion. The submission of such an alternative plan in no manner affects the rights granted by this order enabling the applicant to proceed with the mixed-use development on the subject site.

On November 16, 2000, at the applicant's request, the Board issued an order (hereafter, the "First Modification Order"), that among other things, modified the provision of the Final Order relating to Golden Rule escrow account. Golden Rule had completed working drawings for the project and was in the process of finalizing its building permit application, but required additional time to reach settlement on the project financing. The Board determined that there was no reason to pursue an alternative use of the escrow funds as provided for in the Final Order, since a short extension of time would likely enable the Golden Rule project to move forward. The Board therefore extended the time for Golden Rule to settle on its construction financing and draw down the escrow funds for an additional six months; that is, to June 3, 2001.

REQUEST FOR MODIFICATION OF CONDITIONS

On May 16, 2001, the applicants submitted a request on behalf of Golden Rule to modify the provisions of the First Modification Order to provide a further extension of time for Golden Rule to complete its project financing and to authorize the release of half of the escrow funds to Golden Rule for the payment of pre-construction costs.

Golden Rule requires the additional time due to unanticipated delays in completing its financing and transactional agreements. The financing package for its $16 million project is complex, involving grant funds from the D.C. Department of Housing and Community Development (DHCD) through the Community Development Block Grant program; private investment from JER Hudson, an investment firm specializing in lending for properties eligible for federal tax credits for low and moderate-income housing; and the issuance of bonds by the D.C. Housing Finance Agency. Golden Rule expects to enter into a Land Disposition Agreement with the District of Columbia Government and go to closing on the property before September 2001. From that point, Golden Rule will proceed to complete the financing agreements and construct the building, which is scheduled to open for occupancy in late 2002. Golden Rule exercised all reasonable and diligent efforts to meet the June 3, 2001, deadline established in the First Modification Order, but was unable to do so for reasons beyond its control.

Also, as part of the development process, Golden Rule contracted for and received the necessary environmental studies and surveys of the project site, obtained surveys and zoning clearances, and completed the title search. Golden Rule commissioned architectural and structural designs and drawings, all of which have been reviewed by the appropriate authorities within the Department of Consumer and Regulatory Affairs (DCRA). All DCRA necessary reviews have been completed, and Golden Rule has been assured by DCRA that the only impediment to the issuance of a building permit is the payment of the permit fee. Golden Rule therefore requested the Board to allow $250,000 of the escrow funds to be released from the escrow account and made available to Golden Rule in order to pay the building permit fee and other District of Columbia fees associated with the permitting process, and to pay amounts owed for certain pre-construction expense obligations, including legal fees, appraisals, and environmental assessment fees. Golden Rule has no other source of funds to make these payments until the DHCD funds become available. Allowing the early release of half of the escrow funds would make it possible for Golden Rule to proceed promptly to break ground for construction.

The Board received two letters from the DHCD supporting the request. In its letter submitted June 28, 2001, DHCD reiterated its support for the immediate release of half of the escrow funds; and stated that "in the unlikely event that this project does not close and repayment of these funds is required under the terms of the linkage program, DHCD will provide the funds."

The D.C. Office of Planning recommended that the request be granted, subject to the condition that if adequate project funding is not secured by Golden Rule by December 3, 2001, then DHCD will repay the $250,000 into the escrow account by April 2, 2002.

The affected Advisory Neighborhood Commission (ANC), ANC 2C, at a regularly scheduled meeting, with a quorum present, voted to support the request for modification to allow the project to proceed. The Board also received letters from the District of Columbia Housing Finance Agency and Councilmember Jack Evans supporting the request.

After reviewing the request and the supporting materials, the Board determined that the request should be granted.

ORDER

Based on the above, it is hereby **ORDERED** that the First Modification Order in this case dated November 16, 2000, is **MODIFIED** as follows:

> The time for Golden Rule to settle on its construction financing and draw down the funds held in escrow is extended until December 3, 2001.
>
> Upon the effective date of this order, the escrow agent may release $250,000 from the escrow account established pursuant to the Board's order in BZA Application No. 16387 to Golden Rule, for the payment of pre-construction costs relating to the Golden Rule Plaza project.
>
> The remaining escrow funds shall remain subject to the same condition as previously ordered by the Board; that is, in the event that the Golden Rule Plaza project has not settled on its financing and drawn down the funds in the escrow account by December 3, 2001, the applicants shall consult with the Office of Planning to determine an appropriate alternative plan as to how the funds will be used for affordable housing, and shall submit that plan to the Board in an appropriate motion. The submission of such an alternative plan in no manner affects the rights granted by this order enabling the applicants to proceed with the mixed-use development on the subject site.
>
> Further, if adequate project funding is not secured by Golden Rule by December 3, 2001, DHCD will repay the $250,000 released to Golden Rule pursuant to this order into the escrow account by April 2, 2002.

Motion to Grant a Six-Month Extension of Time to Complete Project Financing, approved June 5, 2001

VOTE: 3 – 0 – 2 (Susan Morgan Hinton, Sheila Cross Reid, and Anne M. Renshaw, to grant the extension of time; Geoffrey H. Griffis, not present, not voting; the Zoning Commission representative not present, not voting).

Motion to Allow the Immediate Release of $250,000 from the Escrow Account to Pay Pre-Construction Costs, approved July 3, 2001

VOTE: 4 – 0 – 1 (Geoffrey H. Griffis, Susan Morgan Hinton, Sheila Cross Reid (by absentee vote), Anne M. Renshaw, to approve; Carol J. Mitten, not voting, not having participated in the case).

BY ORDER OF THE D.C. BOARD OF ZONING ADJUSTMENT

Each concurring member has approved the issuance of this Decision and Order.

ATTESTED BY: _____
JERRILY R. KRESS, FAIA
Director, Office of Zoning

FINAL DATE OF ORDER: JUL 12 2001

PURSUANT TO 11 DCMR § 3125.6, THIS ORDER WILL BECOME EFFECTIVE UPON ITS FILING IN THE RECORD AND SERVICE UPON THE PARTIES. UNDER 11 DCMR § 3125.9, THIS ORDER WILL BECOME EFFECTIVE TEN DAYS AFTER IT BECOMES FINAL.

FAILURE TO ABIDE BY THE CONDITIONS CONTAINED IN THIS ORDER, IN WHOLE OR PART, SHALL BE GROUNDS FOR THE REVOCATION OF ANY BUILDING PERMIT OR CERTIFICATE OF OCCUPANCY ISSUED PURSUANT TO THIS ORDER.

THE APPLICANTS SHALL COMPLY FULLY WITH THE PROVISIONS OF THE HUMAN RIGHTS ACT OF 1977, D.C. LAW 2-38, AS AMENDED, CODIFIED AS CHAPTER 25 IN TITLE 1 OF THE D.C. CODE. *SEE* D.C. CODE § 1-2531 (1999). THIS ORDER IS CONDITIONED UPON FULL COMPLIANCE WITH THE HUMAN RIGHTS ACT. THE FAILURE OR REFUSAL OF THE APPLICANTS TO COMPLY SHALL BE A PROPER BASIS FOR THE REVOCATION OF THIS ORDER.

MS/7.12.01

GOVERNMENT OF THE DISTRICT OF COLUMBIA
BOARD OF ZONING ADJUSTMENT

BZA APPLICATION NO. 16387

As Director of the Office of Zoning, I hereby certify and attest that on JUL 12 2001, a copy of the foregoing Second Modification Order in BZA Application No. 16387 was mailed first class, postage prepaid, to each party and public agency who appeared and participated in the public hearing and who is listed below:

Norman M. Glascow, Jr.
Holland & Knight LLP
2099 Pennsylvania Avenue, N.W.
Washington, D.C. 20006-6801

B. Michael Rauh
Manatt, Phelps & Phillips
1501 M Street, N.W., Suite 700
Washington, D.C. 20005-1702

Milton Bailey, Director
Department of Housing and Community Development
801 North Capital Street, N.E.
Washington, D.C. 20002

Honorable Jack Evans
Councilmember, Ward Two
Council of the District of Columbia
441 4th Street, N.W., Room 703
Washington, D.C. 20001

Advisory Neighborhood Commission 2C
Shaw Terrell Community Center
First & Pierce Street, N.W.
Washington, D.C. 20001

Ellen McCarthy, Deputy Director
Development Review Division
D.C. Office of Planning
801 North Capitol Street, N.E., Suite 4000
Washington, D.C. 20002

Michael D. Johnson, Zoning Administrator
Building and Land Regulation Administration
Department of Consumer and Regulatory Affairs
941 North Capitol Street, N.E., Suite 2000
Washington, D.C. 20002

ATTESTED BY: _____

JERRILY R. KRESS, FAIA
Director, Office of Zoning

Golden Rule Plaza
Development Timeline

The following timeline sets forth Golden Rule Plaza's work schedule and target dates for completion of the principal tasks involved in bringing the project to fruition.

October 23, 2001	Application for Community Development Block Grant funding submitted to DHCD
October 26, 2001	Parking easement executed between Golden Rule Plaza, Inc., and Bible Way Church
Week of October 29, 2001	Construction management contract signed with the Orr Companies.
November 2, 2001	Application for housing linkage extension of time submitted to the Board of Zoning Adjustment
Week of November 5, 2001	Selection of the construction contractor; initiation of final design and pricing design discussions.
November 7, 2001	Advisory Neighborhood Commission 2C considers and takes a position on the application to the BZA for the housing linkage extension of time
Week of November 26, 2001	DCHFA FHA Insurance Submission to HUD
Week of November 26, 2001	Completion of all design revisions Completion of final construction pricing decisions
December 3, 2001	Final commitment of CDBG funds
December 4, 2001	BZA considers and acts on the application for the housing linkage extension of time

December 5, 2001	Selection of bond underwriters
December 5, 2001	Execution of the construction contract
Week of December 10	Execution of the Land Disposition Agreement conveying the property to Golden Rule Plaza, Inc.
December 12, 2001	Initial partnership for tax credit financing prepared
December 14, 2001	Building permit issued
December 19, 2001	DC HFA Board approves bond financing
January 15, 2002	Pre-closing
January 16, 2001	Issuance of bonds
January 17, 2002	Closing and funding
February 3, 2002 (Sunday)	Ground-breaking ceremonies
February 5, 2002	Construction begins
March 4, 2002	Leasing activities begin
April 30, 2003	Construction completed
July 15, 2003	Lease-up completed

Section 3: Sources and Uses - Rental Project Sources

Please attach any letters of interest or commitment from funding organizations and label as Exhibit G.

Construction Period Sources:

Specify Type and Source of Funding Below	Amount	Rate	Term	Loan, Grant, or Equity?	If Loan, Is it Hard or Soft?	Lender's Min. Debt Service Coverage Ratio	Actual Debt Service Coverage Ratio	Status ("will apply", "applied", "committed")
1st Mortgage: (DCHFA)	$ 8,500,000	6.75%	40	Loan	Hard	1.1	0.00	Applied
2nd Mortgage: (source?)		0.00%	0	-	-	0	0	-
DHCD Subsidy	$ 3,500,000	5.75%	30	Loan	Soft	0	0	Applied
Construction Fund Income	$ 300,000	0.00%	0	Equity	-	0	0	-
Sponsor Capital	$ 100,000	0.00%	0	Equity	-	0	0	Committed
Equitable Housing Linkage Grar	$ 500,000	0.00%	0	Grant	-	0	0	Committed
Limited Partner Equity	$ 3,703,895	0.00%	0	Equity	-	0	0	Will Apply
		0.00%	0	-	-	0	0	-
Deferred Developer Fee	$ 1,529,689	0.00%	0	Loan	Soft	0	0	Committed
Total Construction Sources:	$ 18,133,584							

Permanent Sources:

Specify Type and Source of Funding Below	Amount	Rate	Term	Loan, Grant, or Equity?	If Loan, Is it Hard or Soft?	Lender's Min. Debt Service Coverage Ratio	Actual Debt Service Coverage Ratio	Status ("will apply", "applied", "committed")
1st Mortgage: (DCHFA)	$ 6,434,000	6.75%	40	Loan	Hard	1.1	1.13	Applied
2nd Mortgage: (source?)	$ -	0.00%	0	-	-	0	0	-
DHCD Subsidy	$ 3,500,000	5.75%	30	Loan	Soft	0	0	Applied
Construction Fund Income	$ 300,000	0.00%	0	Equity	-	0	0	-
Sponsor Capital	$ 100,000	0.00%	0	Equity	-	0	0	Committed
Equitable Housing Linkage Grar	$ 500,000	0.00%	0	Grant	-	0	0	Committed
Limited Partner Equity	$ 5,944,451	0.00%	0	Equity	-	0	0	Will Apply
-	$ -	0.00%	0	-	-	0	0	-
Deferred Developer Fee	$ 1,355,133	0.00%	0	Loan	Soft	0	0	Committed
Total Permanent Sources:	$ 18,133,584							

Section 3. Sources and Uses + Tax Credits

Please attach summary of costs to be incurred to meet the 10% Placed-in-Service test and label as Exhibit J.

Low-Income Housing Tax Credit Qualification

Percentage of units that serve households at or below 60% of area median income	100%
Percentage of total square footage serving households at or below 60% of area median income	100%
Applicable percentage (the lower of the above two percentages)	100%
Will the project receive 9% or 4% tax credits?	4%
Does it qualify for acquisition credits? (yes or no)	No
What amount of nonqualified funds will be used in the project?	$ -
What amount of grant funds must be subtracted from acquisition basis?	$ -
What amount of grant funds must be subtracted from rehabilitation basis?	$ -
Will the project use historic tax credits? (yes or no)	NO
If so, what amount of historic tax credits will be applied to the residential portion of the project?	$ -
What will be the total amount of historic tax credits in the project?	$ -
Is the project located in a "qualified census tract" or "difficult to develop" area? (yes or no)	Yes
Census tract number (automatically carried over from Project Description)	48.02

Low-Income Housing Tax Credit Calculation

	4% or 9% Credits *Acquisition*	*Rehabilitation*
Building acquisition cost	$ -	
Minus adjustment to building acquisition cost	$ -	
Total depreciable development		$ 16,332,542
Minus non-residential depreciable basis		$ -
Minus disallowed acquisition cost		$ -
Minus grants		$ -
Minus nonqualified funds		$ -
Minus historic tax credits		$ -
Eligible basis	$ -	$ 16,332,542
Adjustment for difficult to develop area or qualified census tract		130%
Adjusted eligible basis	$ -	$ 21,232,305
Low-income occupancy percentage	100%	100%
Qualified basis	$ -	$ 21,232,305
Applicable tax credit rate	0.00%	3.50%
Maximum annual credit	$ -	$ 743,131
Total annual low-income housing tax credit		$ 743,131
Credits to Limited Partner @ 99.99%		$ 7,430,563
Estimated net LIHTC yield	0.80 rate per $	$ 5,944,451

Note: This page presents an ESTIMATE of the tax credits for which this project may be eligible. It does not present a final determination.

Section 3. Sources and Uses - Homeownership Project Sources

Please attach any letters of interest or commitment from funding organizations and label as Exhibit G.

Construction Period Sources:

	Amount	Rate	Term	Loan or Grant?	If Loan, Is it Hard or Soft?	Lender's Min. Debt Service Coverage Ratio	Actual Debt Service Coverage Ratio	Status ("will apply", "applied", "committed")
1st Mortgage: (source?)	$ -	0.00%	0	-	-	0	0	-
DHCD Subsidy	$ -	0.00%	0	-	-	0	0	-
-	$ -	0.00%	0	-	-	0	0	-
-	$ -	0.00%	0	-	-	0	0	-
-	$ -	0.00%	0	-	-	0	0	-
-	$ -	0.00%	0	-	-	0	0	-
Deferred Developer Fee	$ -	0.00%	0	-	-	0	0	-
Total Construction Sources:	$ -							

Permanent Sources:

	Amount	Rate	Term	Loan or Grant?	If Loan, Is it Hard or Soft?	Lender's Min. Debt Service Coverage Ratio		Status ("will apply", "applied", "committed")
Homeowner Downpayment	$ -							-
Sales Proceeds	$ -							-
DHCD Subsidy	$ -	0.00%	0	-	-	0		-
-	$ -	0.00%	0	-	-	0		-
-	$ -	0.00%	0	-	-	0		-
-	$ -	0.00%	0	-	-	0		-
Total Permanent Sources:	$ -							

Section 3. Sources and Uses - Rental and Homeownership Uses

How many units are in the project?	119
What percentage of the project is considered residential?	100%

Note: the spreadsheet uses this percentage to divide funds into the residential or commercial categories. You may override this function by entering the allocations manually.

	Total	Residential	Commercial	Per Unit
Acquisition				
Land	$ 1	$ 1	$ -	$ 0
Building	$ -	$ -	$ -	$ -
Subtotal: Acquisition	$ 1	$ 1	$ -	$ 0
Construction Costs				
Construction Costs	$ 11,347,515	$ 11,347,515	$ -	$ 95,357
Construction Contingency	$ 524,475	$ 524,475	$ -	$ 4,407
Environmental Remediation	$ -	$ -	$ -	$ -
Subtotal: Construction	$ 11,871,990	$ 11,871,990	$ -	$ 99,765
General Development Costs				
Architecture	$ 475,600	$ 475,600	$ -	$ 3,997
Survey and Permits	$ -	$ -	$ -	$ -
Clerk of the Works	$ -	$ -	$ -	$ -
Performance/Payment Bond	$ -	$ -	$ -	$ -
Environmental Engineer/Studies	$ 35,664	$ 35,664	$ -	$ 300
Bond Premium	$ -	$ -	$ -	$ -
Legal	$ 325,000	$ 325,000	$ -	$ 2,731
Title and Recording	$ 60,000	$ 60,000	$ -	$ 504
Accounting & Cost Certification	$ 30,000	$ 30,000	$ -	$ 252
Marketing and Rent-up	$ 75,000	$ 75,000	$ -	$ 630
Real Estate Taxes	$ 65,000	$ 65,000	$ -	$ 546
Insurance	$ 60,000	$ 60,000	$ -	$ 504
Relocation	$ -	$ -	$ -	$ -
Appraisal	$ 27,600	$ 27,600	$ -	$ 232
Construction Loan Interest	$ 990,000	$ 990,000	$ -	$ 8,319
Inspecting Engineer - DCHFA	$ 109,890	$ 109,890	$ -	$ 923
Contrsuction Loan Origination Fee	$ -	$ -	$ -	$ -
Permanent Loan Origination Fee	$ 653,500	$ 653,500	$ -	$ 5,492
Fees to: _____	$ -	$ -	$ -	$ -
Fees to: _____	$ -	$ -	$ -	$ -
Fees to: _____	$ -	$ -	$ -	$ -
Other Financing Fees	$ -	$ -	$ -	$ -
Other: __Syndication Fees	$ 60,000	$ 60,000	$ -	$ 504
Other: __Tax Credit Fees	$ 45,395	$ 45,395	$ -	$ 381
Soft Cost Contingency	$ 25,000	$ 25,000	$ -	$ 210
Subtotal: General Development	$ 3,037,649	$ 3,037,649	$ -	$ 25,526
Subtotal Acq, Const, Gen. Dev.	$ 14,909,640	$ 14,909,640	$ -	$ 125,291
Operating Reserves	$ 489,563	$ 489,563	$ -	$ 4,114
Debt Service Reserves	$ 234,331	$ 234,331	$ -	$ 1,969
Other Reserves:____Lease up	$ 300,000	$ 300,000	$ -	$ 2,521
Development Consultant	$ -	$ -	$ -	$ -
Developer Fee	$ 2,200,000	$ 2,200,000	$ -	$ 18,487
TOTAL DEVELOPMENT COSTS	$ 18,133,534	$ 18,133,534	$ -	$ 152,383

COUNCIL OF THE DISTRICT OF COLUMBIA
WASHINGTON, D.C. 20001

October 30, 2001

D.C. Board of Zoning Adjustment
One Judiciary Square
441 Fourth Street N.W.
Washington, D.C. 20001

RE: Request for Modification of BZA Order No. 16387 As It Relates to Housing Linkage Funds Designated for Golden Rule Plaza, Inc.

Dear Members of the Board:

I have reviewed the submission to the Board of Zoning Adjustment requesting modification of BZA Order No. 16387 to provide an extension of time for use of the housing linkage funds designated for Golden Rule Plaza, Inc. These funds are an essential component of the financial package assuring development of a residential apartment building for low and moderate income senior citizens, at K Street and New Jersey Avenue N.W., within ANC 2C-05 in Ward Two.

As the Councilmember representing Ward Two, I have fully supported the Golden Rule Plaza development and continue to do so. The Golden Rule Plaza team has been working diligently with the Department of Housing and Community Development and the D.C. Housing Finance Agency to move this project toward completion. However, as stated in the application, the recent transition to new leadership at DHCD unavoidably led to a delay, meaning that the financing package cannot be completed prior to the December 3, 2001, deadline for use of the housing linkage funds.

The requested extension of time is a reasonable and necessary step to preserve the housing linkage funds for the Golden Rule Plaza project, as the BZA intended, and to assure completion of this much-needed housing development for our senior citizens.

For these reasons, I encourage the Board to approve the modification request. I appreciate your attention to my views.

Sincerely,

Jack Evans
Councilmember, Ward Two

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

November 2, 2001

D.C. Board of Zoning Adjustment
One Judiciary Square
441 Fourth Street, N.W.
Washington, D.C. 20001

Re: Request for Modification of
BZA Order No. 16387
As It Relates to Housing Linkage Funds

Dear Members of the Board:

I have reviewed the submission to the BZA requesting modification of BZA Order No. 16387 as it relates to the housing linkage funds designated for Golden Rule Plaza, Inc. These funds support the development of a 119 unit apartment building for low- and moderate-income senior citizens at K Street and New Jersey Avenue N.W., within ANC 2C-05.

The District of Columbia, and specifically the Department of Housing and Community Development, fully supports the Golden Rule Plaza development. We are currently underwriting the request for $3,500,000 in financial assistance for the project. The development is located on property the District is selling to Golden Rule Plaza at the nominal cost of $1 as approved by the DC City Council.

We have recently reviewed the proposed development timeline which anticipates a closing for mid-January and believe this is achievable. Please be assured that DHCD supports this request for modification.

Thank you for your consideration.

Sincerely,

Jerry L. Williamson
Chief, Development Finance Division

The Downtown Cluster of Congregations

1313 New York Avenue, N.W. ■ Washington, D.C. 20005 ■ (202) 347-7015 ■ Fax (202) 347- 4630

Oct. 30, 2001

Chairman Geoff Griffis & Members
D.C. Board of Zoning Adjustment
441 4th Street, NW
Washington, DC 20001

Re: Request for Modification of BZA Order #16387 - Golden Rule Plaza

Dear Chairman Griffis & Members,

I wish to express support for the **limited one year renewal extension for the time allowed to draw down the housing linkage funds earmarked for this project.**

As you know, the Downtown Cluster of Congregations has vigorously sought the expansion of downtown housing and affordable housing. This project offers to provide low and moderate income elderly housing at New Jersey and K Streets, N.W.

I have reviewed the submission of Golden Rule Plaza. I believe that staffing changes at DHCD in part impacted the need for the extension. I am anxious for this project and others to get underway in the downtown. For that end, a one year extension seems reasonable to assure that the funds will be used as the BZA intended.

I appreciate your on-going efforts.

Respectfully,

Terrance Lynch
Executive Director