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February 5, 2007

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By Hand Delivery

Carol J. Mitten, Chairman
District of Columbia Zoning Commission
Office of Zoning
441 4th Street, N.W.
Washington, DC 20001

**Re: Abdo New York LLC (the "Applicant")
Consolidated PUD and Zoning Map Amendment Application
in Zoning Commission Case No. 06-15
Supplemental Post-Hearing Submission**

Dear Chairman Mitten and Members of the Commission:

At the January 8, 2007 Public Meeting, the Zoning Commission voted unanimously to approve the above-referenced case for proposed action. The Commission also reopened the record to receive the Applicant's responses on three issues: (1) information on the relocation of existing businesses; (2) a response to the Commission's comments on the timing of the grocery store; and (3) a revised design for the roofline of the "A" Building. The Applicant's responses follow below:

1. Relocation of Existing Businesses

The subject property is currently owned by five different landowners. Many of the more productive uses on the Subject Property are controlled directly by the landowners. Moreover, only two of the five landowners have tenants, and the majority of the tenants have month-to-month leases. Several tenants have already independently begun relocation efforts and the owners, both of whom own additional industrial land in the District, are currently working with the remaining tenants to possibly relocate at these alternate locations. Indeed, with assistance from the Applicant, one of the property owners has already assisted a tenant in relocating to a new location. The owner was able to help the tenant, who held a month-to-month leasehold interest in one of the largest parcels on the Subject Property (over two acres), to secure a leasehold for a ten-year term that satisfied the tenant's desire for a more stable term.

ZONING COMMISSION
District of Columbia

CASE NO.

06-15

EXHIBIT NO.

ZONING COMMISSION
District of Columbia
CASE NO. 06-15
EXHIBIT NO. 61

2. The Grocery Store

Though not offered as a proffer, the Applicant has specifically designed the Project to include a grocery store and believes that a grocery store is essential to the success of the Project. In fact, the greatest value of the grocery store to the Project is not as a revenue-generator, but as an amenity for its residents. Unlike other areas of the District, however, the development of a residential neighborhood in this location presents the Applicant with unique challenges that require some level of flexibility.

For the reasons below, the Applicant will aggressively pursue a grocery store for retail space in the "A" Building as an anchor tenant, so long as it is economically feasible.

- To this end, the Applicant has met with several grocery stores, and is actively in discussions with three major grocery chains to discuss this space in the Project.
- Furthermore, the Applicant has designed the parking and retail uses to be integrated with the residential units above. In fact, the quantity of underground parking set aside for the retail uses is predicated on the parking required by grocery store. This will make it difficult and costly to change the proposed use from a grocery store to some other retail use.
- Finally, the Applicant believes that a grocery is extremely important for the creation of a successful residential community in this location. Mixed-use development that includes ground-floor retail uses provides necessary resources, enhances the livability of the community, and strengthens the fabric of residential neighborhoods. As noted by the Commission in its approval of a Map Amendment for 14th Street that allowed for the construction of a grocery store and other retail uses, a grocery store is critical for the success of these efforts because "the presence of a grocery store can assist in attracting other retail establishments." Z.C. Order No. 956, FOF 35.

However, the Applicant is also concerned about the potential for delay in the delivery of the new housing and affordable housing units if the effort to secure a grocery store lease becomes protracted or is ultimately unsuccessful. The Applicant is keenly aware of the challenges associated with grocery store transactions, particularly in an emerging neighborhood. In the event of difficulty in securing a grocery store tenant, it would be economically infeasible to build the rest of the project and hold 84,000 square feet of ground-floor retail space vacant for that grocery store. Unlike other PUDs, this Project is an exclusively residential project and its greatest amenity is the creation of new housing units in an underserved area of the District. Conditioning approval of the PUD

on the provision of a grocery store would require the Applicant to hold off on delivery of the housing units until a grocery store tenant was secured. That is why the Applicant stated in the August 1, 2006 pre-hearing submission, in response to questions from the Commission about the nature of the grocery store proffer, that “the Applicant is not proffering a grocery store as an amenity.” Pre-Hearing Statement at 17.

The Applicant notes that past PUDs have fulfilled promises of a grocery store without an explicit condition. For example, in the PUD approving the redevelopment of the Columbia Hospital for Women—another exclusively residential PUD—the Commission did not specifically condition its approval of the PUD on the provision of a grocery store as an amenity, yet there the developer was able to successfully attract a thriving Trader Joe’s to the site. Z.C. Order No. 03-11. Again, the Applicant strongly believes that a grocery store is essential to the success of the Project. In order to guarantee to the Commission that the Applicant will continue to aggressively pursue a grocery store, yet preserve the ability to deliver the housing and affordable housing units, the Applicant proposes the following condition of approval:

The Applicant will refrain from entering into a letter of intent or a lease for the designated grocery store space in the “A” Building with a retail tenant other than a grocery store for 12 months from the effective date of this Order. If, after that time, the Applicant is unable to secure a letter of intent or leasehold arrangement with a grocery store, the Applicant will return to the Zoning Commission to present alternate uses for the designated grocery store space. Notwithstanding any future determination of the use of the designated grocery store space in the “A” Building, the Applicant will be permitted to proceed with all other components of the Project, including the residential component.

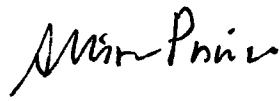
3. Redesign

At the Commission’s request, the Applicant has studied the design of the roof of the “A” Building. Attached is a revised design proposal, which the Applicant submits as an alternative to the design submitted in the Applicant’s December 21, 2006 Post-Hearing Submission. The Applicant believes that both designs offer a strong architectural finish to the “A” Building, and either design would be acceptable. Accordingly, given the Commission’s strong interest in the design of this particular element of the Project, the Applicant respectfully leaves the final determination to the members of the Commission.

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We look forward to the Commission's decision on this case at the February 12, 2007 public meeting.

Sincerely,

A handwritten signature in cursive script, appearing to read "Allison Prince".

Allison Prince

A handwritten signature in cursive script, appearing to read "David Avitabile".

David Avitabile

Enclosure

cc: ANC 5B
Office of Planning



To replace image on cover and A021.

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Supplemental Submission : February 5, 2007

Building A Revision

ABDO NEW YORK, LLC
TORTI GALLAS AND PARTNERS

NEW YORK AVENUE/ARBORETUM



To replace Views of New York Avenue and Montana Avenue on A026 and A027.



To replace Building A elevations on A0A, A044, A050, & A051.



To replace Building A elevations on A0A, A044, & A050.

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Building A Revision

ABDO NEW YORK, LLC
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Supplemental Submission / February 5, 2007

NEW YORK AVENUE/ARBORETUM