

COMMUNITY BENEFITS AGREEMENT

BY AND BETWEEN FOUR POINTS, LLC (ITS AFFILIATES AND ASSIGNS) AND ADVISORY NEIGHBORHOOD COMMISSION 8A

This Community Benefits Agreement (“Agreement”) is made as of September 14, 2018, by and between Four Points LLC, a District of Columbia limited liability company, its affiliates and/or assigns (collectively the “Developer”) and Advisory Neighborhood Commission 8A (the “ANC”) (together, the “Parties”) for the purpose of detailing the community benefits related to the development of Buildings 4, 5 and 8 (the “Property”) in the Reunion Square development.

ARTICLE I

WHEREAS, on September 9, 2013, the Zoning Commission of the District of Columbia (“Zoning Commission”) approved an application submitted by the Developer for preliminary and consolidated approval of a planned unit development (“PUD”) and related zoning map amendment for the property known as Square 5772, Lots 827, 829, 831, 880, 984, 1017, and 1019; Square 5783, Lots 829 and 1018; Square 5784, Lots 898, 899 and 900; and Square 5785, Lots 839 and 906 (the “Development Site”). The first stage application was approved pursuant to Z.C. Order No. 08-07, which became final and effective on October 25, 2013 (“First Stage Approval”).

WHEREAS, on March 9, 2018, the Developer submitted an application for review and approval of a second stage PUD for property located at Square 5784, Lots 899, 900, and 1101 within the Development Site (the “Second Stage Application”).

WHEREAS, the Developer has proposed to develop the Property with a Class A office building that will consist of approximately 6,644 square feet of retail, 281,242 square feet of office space, and 324 parking spaces (with an additional 136 tandem spaces) (“Building 4”); a mixed-use building that will consist of a hotel with approximately 100-150 rooms, approximately 41,000 square feet of office space, approximately 8,000 square feet of retail and 56 parking spaces (“Building 5”); and residential building that will consist of approximately 133 residential units (including 27 affordable units), approximately 8,000 square feet of retail, and up to approximately 98 parking spaces (“Building 8”). Development of Buildings 4, 5, and 8 are collectively referred to herein as the “Project.”

WHEREAS, the PUD Process seeks to ensure that the approvals relating to the Property provides appropriate and adequate project amenities and public benefits for area residents and the community.

WHEREAS, the Parties have met and agreed to enter into this Agreement to outline the community benefits agreement relating to the Property.

WHEREAS, the Parties acknowledge that this Agreement only relates to the Property and Buildings as defined herein.

WHEREAS, with the following conditions in mind, the Parties agree to support the Second Stage Application for Building 4 and the future second stage applications to be filed for Buildings 5 and 8, including the Tax Increment Financing plan for the project and the leasing of office space in Building 4 to the District of Columbia Department of Health.

WHEREAS, the Parties intend for this Agreement to be referenced as a condition in any Zoning Commission order granted for the Property.

NOW, THEREFORE, in consideration of the promises and the mutual covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto covenant and agree as follows:

ARTICLE II

A. Definitions.

“**Permanent FTE Job**” shall mean a job that involves a 30-hour or more work week.

“**Permanent FTE Construction Job**” shall mean a job that is approximately 24 months in duration and involves a 30-hour or more work week.

“**Predevelopment/Construction FTE Job**” shall mean a job that is less than 24 months in duration, results from development of the Project, and involves a work week that is less than 30 hours.

B. Design Review.

1. Community Consultation. The Parties acknowledge that the Developer has met a number of times with representatives of the ANC and local organizations to ensure that the design for Building 4 has addressed the communities concerns. The Parties agree that the Architectural Plans and Elevations attached hereto as Exhibit A for Building 4 reflect a number of improvements and changes that were requested by the community groups at various meetings. The Developer agrees to meet with ANC 8A and local organizations if there are any major design changes to the plans attached hereto as Exhibit A. By signing this Agreement, the Parties acknowledge their support of the plans attached hereto as Exhibit A. The Developer agrees to present the design of Buildings 5 and 8 to ANC 8A prior to submitting them to the Zoning Commission for formal approval.

C. Employment Opportunities.

1. Internships – The Developer will implement a Department of Employment Services (“DOES”) approved apprenticeship program for the Project components for which TIF financing is being used.

2. First Source Employment Agreement – The Developer shall enter into a First Source Employment Agreement with DOES that shall govern certain obligations of the Developer related to Project components for which TIF financing may be used. The Developer shall execute a First Source Employment Agreement consistent with the form of Agreement utilized at the time the PUD received first stage approval in 2008 regarding job creation and employment generated as a result of the construction on the Project.
3. Certified Business Enterprise Requirements - The Developer shall enter into an Agreement that shall require the Developer to, at a minimum, contract with Certified Business Enterprises for at least 35% of the total contract dollar volume for Buildings 4, 5 and 8 collectively, for which TIF financing is being used, or otherwise as consistent with applicable law.
4. Davis-Bacon – The Developer shall, on those portions of the Project receiving public subsidy, adhere to Davis-Bacon Federal Wage Requirements law requiring that laborers working on the Project be paid prevailing wage for the trade area as defined by the U.S. Department of Labor.
5. Marketing of Employment Opportunities – The Developer agrees to notify ANCs 8A and 7B at least 14 days in advance (when feasible) of new positions becoming available for the purpose of ANCs 8A and 7B to assist the Developer with marketing such new employment opportunities to Ward 7 and 8 residents.

D. Wards 7 and 8 Employment Opportunities.

1. The Developer shall provide, and/or the Developer shall contractually obligate and enforce its contractor(s) and/or subcontractor(s) to provide, Predevelopment/Construction FTE Jobs and training and pre-apprenticeship opportunities to residents of Wards 7 and 8 for the duration of construction activities for Buildings 4, 5 and 8, as follows:
 - a. Reservation of a total of 15 construction jobs spread across construction of Buildings 4, 5, and/or 8 for Ward 7 and/or 8 residents, and such requirement will be included in the terms of the major trade subcontracting agreement(s) to ensure compliance;
 - b. Mandatory provision of first notice of availability of and first opportunity to interview for Predevelopment/Construction FTE Jobs for Ward 7 and 8 residents and such Predevelopment/Construction FTE Job listings will be provided to ANCs 8A and 7B two (2) weeks prior to distributing the same to DOES and four (4) weeks prior to distributing the same to the general public; and

- c. Training and apprenticeship of the Ward 7 and/or 8 residents that are hired for such Predevelopment/Construction FTE Jobs in order to advance their skills and employment prospects beyond the completion of the Project.
- 2. The Developer will establish a Contractor Capacity Development Seminar Series for CBE owners designed to help increase their ability to win and successfully execute work with private and public owners.
- 3. The Developer shall reserve, or the Developer shall contractually obligate and enforce its contractor(s) and/or subcontractor(s) to reserve, a minimum of three Permanent FTE Jobs spread across Buildings 4, 5, and/or 8 (or all three located in Building 4, 5, or 8) for Ward 7 and/or 8 residents for a minimum of six (6) years following the issuance of a Certificate of Occupancy for each respective building. The Permanent FTE Jobs shall be in fields such as, but not limited to, property management, parking operations, janitorial maintenance, and retail operations. In furtherance of the foregoing:
 - a. The Developer will encourage retail tenants to employ residents of Wards 7 and 8 in any newly created entry level management and professional positions;
 - b. The Developer will collaborate with ANCs 8A and 7B to disseminate information regarding available employment positions to Ward 7 and 8 residents and to identify qualified, trained and readily available workers. The Developer will notify ANCs 8A and 7B at least 14 days in advance (when feasible) of new employment positions becoming available.
 - c. The Developer will appoint an individual responsible for disseminating job information to ANCs 8A and 7B and interfacing with the community during and after the development cycle;
 - d. The Developer will work with the property management company and retail partner(s) to encourage parties to engage DOES.

E. Hospitality Use or Training for Building 5.

- 1. Development of the hotel portion of the Project within Building 5 will generate new employment opportunities. Accordingly, the Developer shall have the flexibility to either:
 - a. Partner with a hospitality training program for the recruitment, screening, training, and referral of hotel employees, with a goal of a minimum of 10% of hotel employees being Ward 7 and/or 8 residents; or
 - b. For 2.5 years following the execution of this Agreement, the Applicant will actively pursue a hospitality training program partner to be located within Building 5.

F. Affordable Local Retail Rent.

1. For three (3) years after the issuance of the Certificate of Occupancy for the respective building that includes retail space, the Developer shall support existing and emerging local businesses by offering a total of 2,000 square feet of “Affordable Local Retail” spread across Buildings 4, 5, and 8 or located in one or more of Buildings 4, 5, and/or 8 with a lease preference for Ward 8-based small businesses. If the Developer is unable to execute a lease with a Ward 8-based business, the Developer shall have the right to lease the retail space to a Ward 7-based small business. Affordable Local Retail rental rates will be 75% of the base market rental rate as determined by using 7-10 comparable rental rates within a half (1/2) mile of the Development Site, exclusive of tenant improvements, at the time that the Affordable Local Retail is leased.

G. Anacostia Playhouse.

1. For five (5) years after the issuance of the Certificate of Occupancy for Building 8, the Developer shall offer a minimum of 4,000 square feet of floor area to the Anacostia Playhouse at subsidized rental rates. Rental rates will be as follows:
 - a. Year 1: 25% of the base market rental rate as determined by using 7-10 comparable rental rates within a half (1/2) mile of the Development Site, exclusive of tenant improvements;
 - b. Years 2-3: 50% of the base market rental rate as determined by using 7-10 comparable rental rates within a half (1/2) mile of the Development Site, exclusive of tenant improvements; and
 - c. Years 4-5: 75% of the base market rental rate as determined by using 7-10 comparable rental rates within a half (1/2) mile of the Development Site, exclusive of tenant improvements.
2. The Developer shall have the right to convert the floor area offered to the Anacostia Playhouse to residential units, retail space, or any other use permitted within the zone district if the Anacostia Playhouse terminates its lease or relocates within the five (5) year period.
3. The Developer shall contribute up to \$75,000.00 to the Anacostia Playhouse for tenant improvements in Building 8. The Applicant will also work with the Executive Director of the Anacostia Playhouse to assist in pursuing additional grant opportunities and private contributions for tenant improvements and build-out of Building 8.

H. Contributions to Local Organizations.

1. Prior to the issuance of a final Certificate of Occupancy for Building 4, the Developer shall contribute \$50,000.00 to the Anacostia Coordinating Council (“ACC”) to assist with ACCs programs and efforts including, but not limited to: (i) cosponsoring the annual Dr. Martin Luther King Jr. Parade and Peace Walk in Ward 8; (ii) cosponsoring monthly Ward 8 Faith Leaders Breakfast Meetings with the East of the River Clergy Police Community Partnership; (iii) promoting and supporting the Theater Alliance productions at the Anacostia Playhouse; (iv) cosponsoring of Ward 8 National Night Out Against Crime; (v) sponsoring the Annual Ward 8 Multicultural Holiday Celebration and Youth Gift Drive; and/or (vi) other similar programming as approved by the ACC Executive Director.
2. Prior to the issuance of a final Certificate of Occupancy for Building 4, the Developer shall contribute \$25,000.00 to the Far Southeast Family Strengthening Collaborative (“FSFSC”) to assist with FSFSC’s Family Services programs and initiatives including, but not limited to: (i) the “Men and Boys” program; (ii) the School-Based Truancy Prevention programming; (iii) the Rapid Housing Assistance program; (iv) the Nurturing Parenting Program; and/or (v) other similar programming as approved by the FSFSC Board President. (*See* <http://www.fsfsc.org/family-services>).
3. Prior to the issuance of a final Certificate of Occupancy for Building 4, the Developer shall contribute \$12,500.00 to The L’Enfant Trust’s Historic Properties Redevelopment Program to assist with The L’Enfant Trust’s efforts to rehabilitate and reuse vacant and abandoned historic structures within the Anacostia Historic District. In the event that The L’Enfant Trust does not have a current or ongoing rehabilitation project in the Anacostia Historic District, then the contribution shall be redirected to the Far Southeast Family Strengthening Collaborative (“FSFSC”), in conjunction with the Historic Anacostia Preservation Society, for one or more of the following activities: (i) to assist with the Anacostia Historic District homeowner mini grant program targeting homeowners with assistance for the rehabilitation of their historic property and/or; (ii) to hire a historic preservation consultant to research and update draft design guidelines for the Anacostia Historic District; and/or (iii) to hire a historic preservation consultant to survey and research properties for possible expansion of the boundaries of the Anacostia Historic District.
4. Prior to the issuance of a final Certificate of Occupancy for Building 4, the Developer shall contribute \$12,500.00 to the Anacostia Playhouse to assist with the Anacostia Playhouse’s programs and efforts including, but not limited to: (i) providing performance space to new and emerging artists and theater companies at below-market rates, with a special focus on those based east of the Anacostia River; (ii) sponsorship and production of theatrical works, concerts, and dance performances; and/or (iii) other similar programming as approved by the Anacostia Playhouse Executive Director.

5. Prior to the issuance of a final Certificate of Occupancy for Building 5, the Developer shall contribute an additional \$25,000.00 to FSFSC to assist with FSFSC's Family Services programs and initiatives including, but not limited to: (i) the "Men and Boys" program; (ii) the School-Based Truancy Prevention programming; (iii) the Rapid Housing Assistance program; (iv) the Nurturing Parenting Program; and/or (v) other similar programming as approved by the FSFSC Board President. (See <http://www.fsfsc.org/family-services>).
6. Prior to the issuance of a final Certificate of Occupancy for Building 8, the Developer shall contribute an additional \$12,500.00 to The L'Enfant Trust's Historic Properties Redevelopment Program to assist with The L'Enfant Trust's efforts to rehabilitate and reuse vacant and abandoned historic structures within the Anacostia Historic District. In the event that The L'Enfant Trust does not have a current or ongoing rehabilitation project in the Anacostia Historic District, then the contribution shall be redirected to FSFSC, in conjunction with the Historic Anacostia Preservation Society, for one or more of the following activities: (i) to assist with the Anacostia Historic District homeowner mini grant program targeting homeowners with assistance for the rehabilitation of their historic property and/or; (ii) to hire a historic preservation consultant to research and update draft design guidelines for the Anacostia Historic District; and/or (iii) to hire a historic preservation consultant to survey and research properties for possible expansion of the boundaries of the Anacostia Historic District.
7. Prior to the issuance of a final Certificate of Occupancy for Building 8, the Developer shall contribute an additional \$12,500.00 to the Anacostia Playhouse to assist with the Anacostia Playhouse's programs and efforts including, but not limited to: (i) providing performance space to new and emerging artists and theater companies at below-market rates, with a special focus on those based east of the Anacostia River; (ii) sponsorship and production of theatrical works, concerts, and dance performances; and/or (iii) other similar programming as approved by the Anacostia Playhouse Executive Director.
8. Developer is required to make the additional payments identified in Sections 5, 6, and 7 no later than 24 months after the issuance of the final Certificate of Occupancy for Building 4, regardless of whether a final Certificate of Occupancy for Building 5 or Building 8 has been issued by that date.
9. In the event that any of the organizations receiving funds pursuant to this CBA appeal the Zoning Commission's approval of Building 4, 5, and/or 8, the Developer's obligations to make a contribution to that organization shall automatically terminate.

I. Building 4 Courtyard.

1. The Developer shall design the open courtyard for Building 4 to be accessible to the public during normal daytime hours. The courtyard design shall include landscaping, benches, lighting, security cameras, electric outlets for use by the public during organized events,

and ADA accessibility from Shannon Place. The courtyard shall: (a) be closed at night; (b) be kept clean and well-maintained; (c) provide trash and recycling receptacles; (d) provide seating options; and (e) be available for use by community organizations during evening and weekend hours, subject to a scheduling process to be mutually agreed to by the Developer, the property manager, and the signatory organizations. Reservation and use of the courtyard shall be subject to rules and requirements, including that any organization utilizing the courtyard for events will be responsible for any costs associated with cleaning, security, building porter assistance, and providing insurance for use of the courtyard during its event.

J. Public Space Improvements.

1. The Developer shall make the following public space improvements, subject to DDOT approval:
 - a. Building 4 Setback along W Street Between Railroad Avenue and Shannon Place. The Developer shall create a 20 foot setback between Building 4 and its northeastern property line along W Street, S.E., between Railroad Avenue and Shannon Place, in order to create a more attractive pedestrian experience, and shall make public space improvements including new street trees; new sidewalks; new curbs and gutters; new street lights; and new bike racks.
 - b. Capitol Bikeshare. The Developer shall install a new 19-dock Capitol Bikeshare station in public space within the Development Site, likely on W Street.
 - c. Bicycle Racks. The Developer shall install short-term bicycle racks in the public space adjacent to Building 4 to accommodate a minimum of ten (10) bicycles.
 - d. Bicycle Repair Station. The Developer shall install a new bicycle repair station in the public space adjacent to Building 4.
 - e. Pedestrian Safety Signage. The Developer shall work with DDOT to install pedestrian safety signage at (i) the intersection where Chicago Street, Shannon Place, and the public alley to the south of the Site intersect; (ii) the intersection of Chicago Street and Shannon Place to the south of the Site; and (iii) the intersection of W Street and Shannon Place to the east of the Site.

K. Market Rate Housing for Building 8.

1. The residential component of Building 8 shall include a minimum of 80% market rate units and a maximum of 20% affordable units.

L. Construction Noise and Nuisance Issues.

1. Construction Management Plan. The Developer shall abide by the terms of the Construction Management Plan attached hereto as Exhibit B.
2. Website. The Developer shall maintain a website with regular updates of scheduled activities throughout the construction phase of development on the Property, and shall provide the same information in a newsletter and/or handout distributed to residents living on the north side of Chicago Street, S.E., between Martin Luther King Jr. Avenue and Shannon Place.
3. Public Complaint Process. The Developer shall establish a process that includes the creation of a website and the provision of a phone number to promptly address public complaints and shall maintain written records of complaints, investigations, and responsive actions taken, all of which shall be made available to ANCs 8A upon request.

M. Commercial Corridor Participation.

1. Anacostia BID. The Developer shall continue to support the Anacostia BID (or similar downtown improvement organization) and shall ensure that the commercial portions of the overall development comply with all applicable Anacostia BID regulations. The Developer shall ensure that the property manager or other representative for the Developer attends the BID meetings.

[SIGNATURES ON FOLLOWING PAGE]

In witness hereof, the parties hereto have duly executed and delivered this Agreement as of the date first above written.

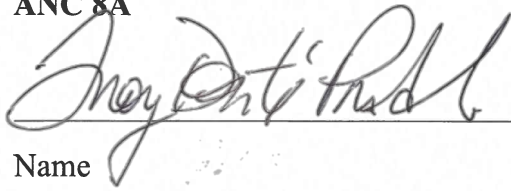
DEVELOPER

Four Points , a District of Columbia limited liability company

John D. Gubner, Manager, 9/14/18
Name Title Date

[Additional Signature Page Follows]

ANC 8A



Chairman 9/14/18

Name

Title

Date