

## Community Employment Agreement

This agreement was signed on July 12, 2011, in Washington, D.C., between IL Palazzo, LLC (the "Applicant"), and Advisory Neighborhood Commission ("ANC") 1C. This agreement concerns the Applicant's residential project involving the former Italian Embassy as defined below.

### EMPLOYMENT, CONTRACTORS, AND VENDORS.

A. Construction: The Applicant is renovating and expanding the former Italian Embassy located along 16th Street, NW in Square 2578 ("Project"). In connection with this Project, the Applicant is pursuing Zoning Commission approval of a Planned Unit Development ("PUD"). As a PUD amenity, the Applicant (or its designee) and its general contractor will develop a program for their subcontractors that includes the following:

1. Require subcontractors to report their past performance in hiring D.C. residents and their future plans to do so, and provide a preference for those hiring and training D.C. residents and using D.C. Certified Business Enterprises;
2. Recruitment of qualified construction workers from ANC 1C *and nearby communities* by: purchasing ads in *English and Spanish language publications commonly available in Ward 1*; posting all job openings on at least one local website; and recruiting through *a wide range of community organizations*, for all construction positions created between breaking ground and issuance of the final certificate of occupancy.

Recruitment will be through such organizations as the Latin American Youth Center and its YouthBuild program, Jubilee Jobs and Jubilee Housing, the Second Genesis rehabilitation center, *the Metropolitan Community Services Agency, the Development Corporation of Columbia Heights the DC Jobs Coalition, DC Office of Latino Affairs, the United Black Fund, Carlos Rosario School, the Latino Economic Development Corporation, the Greater Washington Hispanic Chamber, Hispanic Contractors Association of DC, Md. Washington Minority Contractors Association, Department of Small Local Business Development, and WPFW radio.*

3. An overall "first-source" employment commitment of filling 12 trainee positions with qualified D.C. residents. *The positions are to be filled for virtually the full length of the project.* The trainees will participate in multi-year apprenticeships and other training programs to prepare for high-skill construction jobs. The trainee positions will not be solely for the Project site but for construction sites throughout the city; and

4. Host job fairs for D.C. residents at least once every 90 days. Each of the Applicant's subcontractors will be required to participate in the job fairs and

advertisements for the job fairs will be posted on the ANC's website.

B. The Applicant will participate in good faith to provide job opportunities, job training, job placement and support for District residents and to fulfill its obligations outlined in paragraph A. The Applicant agrees to have DC DOES, the Mayor's Office of Economic Development or a recognized 3rd party compliance officer monitor and assist in the implementation and success of this program.

#### ANNUAL REPORT.

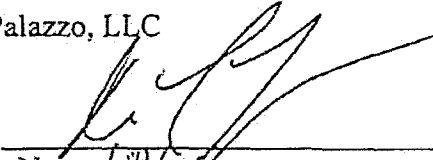
The Applicant will be required to make an annual report to ANC 1C regarding satisfaction of the benefits covered by this agreement, with the first report being made within one year of the execution of this agreement and the final report taking place upon securing a certificate of occupancy. The report shall be submitted to the ANC in writing.

In the event the Applicant is not in compliance with the terms of this Agreement, the ANC will notify the Applicant in writing of the Applicant's non-compliance and provide a period of at least thirty days to allow the Applicant to become compliant with the terms of this Agreement. If, upon the expiration of the thirty day period, the Applicant still does not comply with the terms of this Agreement, the Applicant shall pay a penalty of \$3,000 for each month of its noncompliance, up to a maximum fine of \$100,000. *The ANC and the Applicant will resolve any disagreements about the Applicant's compliance, through binding professional professional arbitration paid for by the Applicant.*

All monetary penalties shall be made to the District of Columbia Housing Production Trust Fund or a non-profit organization selected by ANC 1C.

Dated this 12<sup>th</sup> day of July, 2011.

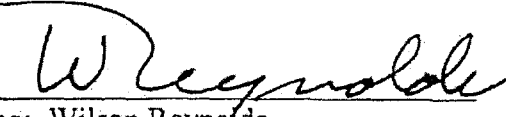
IL Palazzo, LLC

By: 

Print Name: Will Canby

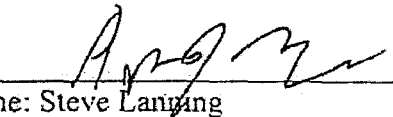
Print Title: Managing Partner

#### ADVISORY NEIGHBORHOOD COMMISSION 1C

By: 

Name: Wilson Reynolds

Title: Chairperson, Advisory Neighborhood Commission 1C

By: 

Name: Steve Lanting

Title: Commissioner, Representing Single Member District 06