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August 19, 2013

VIA IZIS AND HAND DELIVERY

D.C. Zoning Commission
441 4th Street, N.W., Suite 210
Washington, DC 20001

Re: **Applicant's Revised Proffers and Conditions for Z.C. Case No. 12-16 (CG Marketplace, LLC – Consolidated PUD & Related Map Amendment for Various Lots @ Squares 5276, 5272, 5277, and 5246)**

Dear Members of the Commission:

On behalf of CG Marketplace LLC, Applicant in the above-referenced case, we submit a revised list of proffers and corresponding conditions for the draft PUD order, in compliance with the Commission's procedures of 11 DCMR 2403.15 *et seq.* This version of the document addresses the comments provided by the Office of the Attorney General and the Office of Planning.

We look forward to the Zoning Commission's favorable consideration of this application.

Sincerely,

Kyrus L. Freeman

Attachment

cc: Advisory Neighborhood Commission 7C (w/attachment, via U.S. Mail)
Advisory Neighborhood Commission 7E (w/attachment, via U.S. Mail)
Maxine Brown-Roberts, D.C. Office of Planning (w/attachment, via Hand)
Jake Ritting, D.C. Office of the Attorney General (w/attachment, via Hand)

ZONING COMMISSION
District of Columbia
CASE NO.12-16
EXHIBIT NO.53

Z.C. Case No. 12-16
CG Marketplace, LLC
Consolidated PUD and Related Map Amendment

Proffer	**Condition**
50. *Urban Design, Architecture and Landscaping* - The project implements a number of urban design and architectural best practices, and will assist in the further development of East Capitol Street into an enhanced neighborhood center with high-quality restaurant, retail, residential, and office uses.[1] The overall design and configuration of the project responds to its unique identity as a gateway to the District of Columbia from Maryland, creating a vibrant, urban experience for residents and visitors alike. A large, open plaza situated at the southeast corner of the PUD Site will frame a landmark piece of artwork signifying entry to the District, and will serve as a gathering place for the many residents, guests, and retail patrons that the project will attract. This plaza also serves as the main entry point to the mixed-use building, and is ringed with retail spaces opening directly onto the plaza and East Capitol Street. 51. As the first visible component of the project when entering the District from the west, the mixed-use building acknowledges its landmark status through the incorporation of rich materials, generous windows, and sensitive massing that maximizes views for residents and responds to its urban context.[2] The mixed-use building has also been designed in a manner that will help to create a continuous and active urban façade spanning several blocks along the north side of East Capitol Street. The PUD Site offers a number	A.1. The development shall be developed in accordance with the Architectural Plans & Elevations, dated May 31, 2013 (Exhibit 23), as supplemented by the Updated Architectural Plan sheets, dated June 20, 2013 (Exhibit 39) and the Applicant's Post-Hearing Submission plan sheets, dated July 11, 2013 (Exhibit 45), and as modified by the guidelines, conditions and standards of this Order. A.2. In accordance with the plans, the PUD shall be a mixed-used project consisting of approximately 507,618 square feet of gross floor area. Approximately 135,551 square feet of gross floor area will be devoted to a large-format retail use; approximately 363,667 square feet of gross floor area shall be devoted to a mixed-use building with residential uses, retail use, and parking; and a restaurant site with approximately 8,400 square feet of gross floor area. Each building shall be designed and include the uses as shown on the Architectural Plans & Elevations. B.1. Public Space Improvements. Subject to approval by DDOT, the PUD shall provide public space improvements as shown on the Plans dated May 31,2013, including the urban plaza and public space improvements on East Capitol Street.

[1] The Zoning Commission revised this sentence at the public meeting on July 29, 2013 to read as follows: "The project will assist in the further development of East Capitol Street into an enhanced neighborhood center with high-quality restaurant, retail, and residential uses.

[2] The Zoning Commission revised this sentence at the public meeting on July 29, 2013 to read as follows: "As the first visible component of the project when entering the District from the west, the mixed-use building acknowledges its primary location through the incorporation of rich materials, generous windows, and sensitive massing that maximizes views for residents and responds to its urban context."

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of additional amenities to residents and visitors, including, for example, a generously landscaped pedestrian promenade situated between the large-format retailer and the mixed-use building. 52. The project is further activated by a restaurant at the western portion of the PUD Site, which completes the continuous retail façade along East Capitol Street. The restaurant building is oriented to face East Capitol Street and is situated as close to the sidewalk as possible in order to fully engage the urban realm. The building's massing and material palette complement those of the other buildings onsite, and a generous, landscaped outdoor seating area further integrates the building into the surrounding urban fabric.	
53. *Transportation Features (Section 2403.9(c)* - The proposed development will include a number of elements designed to promote effective and safe vehicular and pedestrian access, transportation management measures, and connections to public transit services. The project includes a total of 126 bicycle spaces located throughout the PUD Site. The Applicant has committed to implementing the following transportation demand management measures: • The Applicant will maintain or coordinate relocation of any existing bus stops during construction of the development. • The Applicant will exceed the current amount of bicycle ~~comply with zoning requirements to provide bicycle~~ parking spaces currently required pursuant to Sections 2119.1 and 2119.2 of the Zoning Regulations. ~~/storage facilities.~~ This includes secure parking located in the	B.2. During the life of the project, the Applicant shall implement to following Transportation Demand Management ("TDM") measures: a. Maintain or coordinate relocation of any existing bus stops during construction of the development. b. Provide a minimum of 126 bicycle parking/storage facilities. This includes secure parking located in the garage for retail employees and long-term storage for residents. c. Unbundle all parking costs from the cost of lease or purchase of residential units, such that the parking spaces shall be leased or sold separately from the residential units. ~~.~~ Parking costs will be set at no less than the charges of the lowest fee garage located within ¼ mile.

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garage for retail employees and long-term storage for residents. • The Applicant will unbundle all parking costs from the cost of lease or purchase of residential units, such that the parking spaces shall be leased or sold separately from the residential units.~~.~~ Parking costs will be set at no less than the charges of the lowest fee garage located within ¼ mile. • The Applicant will post all TDM commitments on-line, publicize availability, and allow the public to see what commitments have been promised. • The Applicant will identify separate TDM Leaders for the mixed-use and large-format retail building portions of the site (for planning, construction, and operations) and provide this information to DDOT and Zoning Enforcement prior to the issuance of a Certificate of Occupancy for each building. • The Applicant will install a transportation kiosk in the residential lobbies, which will contain printed materials related to local transportation alternatives and will maintain a stock of materials at all times. • The Applicant will provide website links to CommuterConnections.com and goDCgo.com on developer and property management websites. • The Applicant will dedicate two spaces on site for car sharing services. ~~to use with right of first refusal.~~ • The Applicant will provide reserved spaces for carpools and vanpools that are ~~conveniently~~ located within 40 feet of the	d. Post all TDM commitments on-line, publicize availability, and allow the public to see what commitments have been promised. e. Identify separate TDM Leaders for the mixed-use and large-format retail building portions of the site (for planning, construction, and operations) and provide this information to DDOT and Zoning Enforcement prior to the issuance of a Certificate of Occupancy for each building. f. Install a transportation kiosk in the residential lobbies, which will contain printed materials related to local transportation alternatives and will maintain a stock of materials at all times. g. Provide website links to CommuterConnections.com and goDCgo.com on developer and property management websites. h. Dedicate two spaces on site for car sharing services. ~~to use with right of first refusal.~~ i. Provide reserved spaces for carpools and vanpools that are ~~conveniently~~ located within 40 feet of the elevator ~~respect to the elevators~~ serving the buildings. j. Provide an on-site business center available to residents, which will provide access to copier, fax, and internet services. k. Provide a 1-time, 1-year Capital Bikeshare membership~~s~~ for each new resident upon initial move-in. l. Host a transportation mobility fair six months after the development has opened. The transportation fair will be advertised

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~~respect to the~~ elevators serving the buildings.

- The Applicant will provide an on-site business center available to residents, which will provide access to copier, fax, and internet services.

- The large-format retail building will provide a Capital Bikeshare station and ongoing funding for the program.

- The Applicant will ~~also~~ provide a 1-time, 1-year Capital Bikeshare membership~~s~~ for each new resident upon initial move-in.

- The Applicant agrees to host a transportation mobility fair six months after the development has opened. The transportation fair will be advertised to all retail workers and residents. The onsite TDM Leader ~~coordinator~~ will work with DDOT's goDCgo team to organize representatives that are experts in the non-auto transportation options that serve the site. Each person that attends the event will be educated on the various options and representatives will work with attendees to help them tailor the use of non-auto options to their specific transportation needs. Based on the turnout of the transportation fair and feedback gleaned by the onsite TDM coordinator, a determination will be made if the event will be repeated the following year.

- Two years after the project is 90% occupied, the Applicant will perform a monitoring study of site trip generation. The site trips will be compared to the projected trip generation contained in the Applicant's transportation study included in the record of this case, and a copy of the monitoring study shall be submitted to the D.C. Department of Transportation for review and comment. ~~is report.~~ If the measured trip generation exceeds the projections, the Applicant shall supplement the above TDM measures with additional ones in coordination with the D.C. Department of Transportation. ~~, such as those from in *Incorporation of Transportation Demand Management (TDM) into the Development Review Process* suggested for a project of this size not listed above.~~

B.3. During the life of the project, the Large-Format Retail operator shall provide a Capital Bikeshare station on the large-format retailer's parcel, and shall provide ongoing funding as necessary to maintain the Bikeshare station.~~for the program.~~

B.6. Prior to the issuance of a certificate of

monitoring study shall be submitted to the D.C. Department of Transportation for review and comment. ~~is report.~~ If the measured trip generation exceeds the projections, the Applicant will supplement the above TDM measures with additional ones ~~, such as those from in *Incorporation of Transportation Demand Management (TDM) into the Development Review Process* suggested for a project of this size not listed above~~in coordination with the D.C. Department of Transportation. .	occupancy for the mixed-use building, the Applicant shall submit to the Department of Consumer and Regulatory Affairs evidence that the Applicant has funded the construction of the following pedestrian safety amenities at the intersection of East Capitol Street and Southern Avenue: (a) excavation and installation of a concrete island/sidewalk extension of approximately 1,360 square feet along the northwest corner of East Capitol Street and Southern Avenue, and (b) modifying the existing crosswalks on the westbound lane of East Capitol Street that lead to the northwest corner of the intersection at East Capitol Street and Southern Avenue.
54. *Employment and Training Opportunities (Section 2403.9(e))* - Expanding employment opportunities for local residents is a priority of the Applicant. Therefore, the Applicant will be entering into a First Source Employment Agreement with the Department of Employment Services.	B.5. The Applicant shall abide by the terms of the fully-executed First Source Employment Agreement between the Applicant and the D.C. Department of Employment Services included as Exhibit # in the record of this case~~Prior to the issuance of a certificate of occupancy for the mixed-use building, the Applicant shall submit to the Department of Consumer and Regulatory Affairs a fully-executed First Source Employment Agreement between the Applicant and the D.C. Department of Employment Services~~.[3]
55. *Housing and Affordable Housing (Section 2403.9(f))* - The single greatest benefit to the area, and the city as a whole, is the creation of new housing consistent with the goals of the Zoning Regulations, the Comprehensive Plan and the Mayor's housing initiative. The mixed-use component of the project includes 288 residential units (plus or minus 10%). As indicated in the Applicant's Prehearing	A.1. The development shall be developed in accordance with the Architectural Plans & Elevations, dated May 31, 2013 (Exhibit 23), as supplemented by the Updated Architectural Plan sheets, dated June 20, 2013 (Exhibit 39) and the Applicant's Post-Hearing Submission plan sheets, dated July 11, 2013 (Exhibit 45), and as modified by the guidelines, conditions and standards of this Order.

[3] At the public meeting on July 29, 2013, the Zoning Commission requested that the Applicant submit an executed First Source Employment Agreement prior to final action on the application. Accordingly, this condition should be reflected in the final order as follows: "B.5. The Applicant shall abide by the terms of the fully-executed First Source Employment Agreement between the Applicant and the D.C. Department of Employment Services included as Exhibit # in the record of this case.

Submission, the residential units will be financed through a Low Income Housing Tax Credit ("LIHTC") financing offering, and thus the project is exempt from the Inclusionary Zoning requirements pursuant to Section 2602.3(f) of the Zoning Regulations. All of the residential units in the mixed-use building will be designated as affordable housing units for households earning 60% of the AMI for 15 years. This substantially exceeds the amount of affordable housing that would be required under the Inclusionary Zoning requirements set-forth in Section 2603.1 of the Zoning Regulations. Under the LIHTC program, the Applicant anticipates that monthly rents for residential units in the project will be $1,129 for studio/efficiency units, $1,209 for one bedroom units, and $1,452 for two bedroom units based upon the rates established by the D.C. Department of Housing and Community Development (See http://dhcd.dc.gov/service/home-and-lihtc-rent-program-limits). These rates will be dictated by the LIHTC program and the market, and thus may change from time to time. Rental rates and per square foot rents are below DC averages in Ward 7 and the 20019 zip code. Generally, current rental rates in Ward 7 and the 20019 zip code average approximately $925 per month for a one bedroom apartment (ranging between $775 and $1,100) and $1,170 per month for a two bedroom apartment (ranging between $900 and $1,200). These rental rates will help to continue to support property values in the existing neighborhood.	A.2. In accordance with the plans, the PUD shall be a mixed-used project consisting of approximately 507,618 square feet of gross floor area. Approximately 135,551 square feet of gross floor area will be devoted to a large-format retail use; approximately 363,667 square feet of gross floor area shall be devoted to a mixed-use building with residential uses, retail use, and parking; and a restaurant site with approximately 8,400 square feet of gross floor area. New condition B.7. All of the residential units in the mixed-use building will be designated as affordable housing units for households earning up to 60% of the Area Median Income for 15 years ("Initial Control Period"). Once the Initial Control Period expires, 10% of the gross floor area devoted to residential use shall be dedicated as Inclusionary Units. Fifty percent of the Inclusionary Units shall be set aside for eligible low-income households and the remaining 50% of the Inclusionary Units shall be set aside for eligible moderate-income households, as such households are defined in the Zoning Regulations.
56. *Environmental Benefits (Section 2403.9(h))* - The project exhibits many characteristics of exemplary urban design and green building practices, and demonstrates the Applicant's commitment to utilizing innovative sustainable design practices. Specifically, the Applicant has focused on	A.1. The development shall be developed in accordance with the Architectural Plans & Elevations, dated May 31, 2013 (Exhibit 23), as supplemented by the Updated Architectural Plan sheets, dated June 20, 2013 (Exhibit 39) and the Applicant's Post-Hearing Submission plan sheets, dated July 11, 2013 (Exhibit 45),

streetscape improvements and enhancements to the public space, vehicular and pedestrian improvements, transportation demand management measures, environmental benefits, the reduction of retaining walls, and the provision of special features such as rain gardens, linear bioswales along streetscapes, native vegetation, and porous pavers where feasible. The project will include approximately 114,900 square feet of green space, which is approximately 22% of the PUD Site's area. In addition, the project will include approximately 39,000 square feet of permeable pavers, which is approximately 7.5% of the PUD Site's area. Overall, approximately 30% of the PUD Site is permeable. The following is a summary of the sustainable features incorporated into the overall PUD Site's design: a) Restaurant Parcel: • Porous grass pavers covering 5,000 square feet (or 20%) of the restaurant's surface parking lot, and a total of 12,970 square feet of the restaurant site is green space. • Large bioswales along the East Capitol Street frontage which capture 100% of the parking lot and roof run off from the restaurant site. • Landscaped islands throughout the parking lot to further capture runoff and provide added canopy coverage to the site. • Landscape perimeter planting providing a visual buffer to the north and west of the site. • Active corner plaza engaging the East Capitol Street and 58th Street intersection with outdoor seating, planting, decorative	and as modified by the guidelines, conditions and standards of this Order. B.3. LEED Qualification: The mixed-use building in the PUD shall be designed to meet a LEED-Silver rating, consistent with the score sheets submitted with the Plans. The Applicant shall put forth its best efforts to design the PUD so that it may satisfy such LEED-Silver standards but the Applicant shall not be required to obtain the certification from the United States Green Building Council. During the life of the project, each building shall include the following features, as shown on the Architectural Plans and Elevations, and as specified below as applicable: a) Restaurant Parcel: • Porous grass pavers covering 5,000 square feet (or 20%) of the restaurant's surface parking lot, and a total of 12,970 square feet of the restaurant site is green space. • Large bioswales along the East Capitol Street frontage which capture 100% of the parking lot and roof run off from the restaurant site. • Landscaped islands throughout the parking lot to further capture runoff and provide added canopy coverage to the site. • Landscape perimeter planting providing a visual buffer to the north and west of the site. • Active corner plaza at the East Capitol Street and 58th Street intersection with outdoor seating, planting, decorative porous paving, and lighting.

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porous paving, and lighting. b) Large-Format Retail: • Native planting areas and decorative porous paving along the East Capitol Street frontage consistent with the other parcels along East Capitol Street. • Large bio-retention areas along the 58th Street frontage and at the northeast corner of the site, and porous pavers along the East Capitol Street frontage, will capture runoff from the roof and site, capturing approximately 85% of the site's run-off. • Capital Bike-Share station provided on parcel site. • Street trees along all surrounding streets (58th Street, Private Street 1 and Private Street 2). c) Mixed-Use Building: • Signature gateway plaza at southeast corner to mark the entrance into the site and symbolically into the City with paving and planting consistent with the other parcels. The plaza design further softens the space with enlarged planning areas and additional shade trees. • Bio-retention areas throughout the plaza, along the frontages of the building, at the northeast corner of the site, and porous pavers along the East Capitol Street frontage will capture approximately 85% of the runoff from the roof and site. • Attractive interior courtyard amenity with over 50% green area.	b) Large-Format Retail: • Native planting areas and decorative porous paving along the East Capitol Street frontage consistent with the other parcels along East Capitol Street. • Large bio-retention areas along the 58th Street frontage and at the northeast corner of the site, and porous pavers along the East Capitol Street frontage, to capture approximately 85% of the site's run-off. • Capital Bike-Share station provided on parcel site. • Street trees along all surrounding streets (58th Street, Private Street 1 and Private Street 2). c) Mixed-Use Building: • Signature gateway plaza at southeast corner to mark the entrance into the site and symbolically into the City with paving and planting consistent with the other parcels. The plaza design further softens the space with enlarged planning areas and additional shade trees. • Bio-retention areas throughout the plaza, along the frontages of the building, at the northeast corner of the site, and porous pavers along the East Capitol Street frontage will capture approximately 85% of the runoff from the roof and site. • Attractive interior courtyard amenity with over 50% green area. • Outdoor seating with shade for residents, retail patrons and the general public.

• Outdoor seating with shade for residents, retail patrons and the general public. • The building has been designed to achieve a minimum of 52 points as shown on the theoretical LEED checklist included in the record which is the equivalent of LEED Silver designation.	• The building shall be designed to achieve a minimum of 52 points as shown on the theoretical LEED checklist included in the record which is the equivalent of LEED Silver designation.