

# Holland & Knight

800 17th Street, NW, Suite 1100 | Washington, DC 20006 | T 202.955.3000 | F 202.955.5564  
Holland & Knight LLP | www.hklaw.com

KYRUS L. FREEMAN  
202-862-5978  
kyrus.freeman@hklaw.com

September 16, 2013

## VIA IZIS AND HAND DELIVERY

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

Re: **Applicant's Submission of Materials Requested at Proposed Action on 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, as Applicant in the above-referenced case, we hereby submit one original and ten copies of the materials requested by the Zoning Commission on July 29, 2013 during the public meeting during which the Zoning Commission voted to take preliminary action to approve Z.C. Case No. 12-16. The materials include the following information:

1. **First Source Employment Agreement** - Expanding employment opportunities for District residents is a priority of the Applicant. Therefore, as shown on the cover letter and executed First Source Employment Agreement attached hereto as Exhibit A, the Applicant has submitted to the D.C. Department of Employment Services an executed First Source Employment Agreement for the mixed-use component of the project, and is waiting for receipt of the countersigned agreement back from D.C. Department of Employment Services.

As noted in the PUD application, the Applicant is a single purpose entity controlled by the D.C. Housing Authority and A&R Development Corp. ("A&R"). A&R has an exemplary track record in achieving First Source employment goals. For example, with respect to its most recent project -- Rhode Island Row -- approximately 21% of the total workforce have been District residents and 5% have been Ward 5 residents. Of the new hires, 82% have been District residents and 29% have been Ward 5 residents. A&R is committed to achieving similar results for the CG Marketplace project. Thus, consistent with other PUDs, the Applicant is requesting that the Zoning Commission move forward with final action, and require the Applicant to 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 prior to the issuance of a building permit for the mixed-use building.

2. **Metal Panels on Western Façade of Walmart Building** - During the public hearing, the Zoning Commission requested that the Applicant refine the proposed metal paneling along the western façade of the Walmart building. As shown on the *Revised 58<sup>th</sup> Street Elevation* sheet attached hereto as Exhibit B, the Applicant has revised the proposed metal panel by reducing the metal panel from 12 feet deep to 8 feet deep, and the lower portion of the panel has been thinned and raised. The proposed pilasters have also been refined to provide a more vertical emphasis instead of a horizontal emphasis. The Applicant believes these changes reduce the visual mass of the metal panels and further enhance the western façade of the proposed Walmart building.
  
3. **Commitment to Delivery of Residential Component of Development** - During the public meeting, the Zoning Commission requested that the Applicant confirm its commitment to pursue development of the housing component of the project as diligently as the retail component of the project. The Applicant is fully-committed to pursuing financing for, and development of, the residential portion of the project as diligently as possible. The Applicant believes that all of the proposed uses must be delivered in order for the overall development to be successful. Moreover, the Applicant has committed that all of the 288 residential units (plus or minus 10%), will be financed through a Low Income Housing Tax Credit financing offering, and thus 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 have been required through matter of right development of the site under existing zoning, and is an important component in creating a thriving neighborhood and a successful development.

We believe that this submission fully-responds to the questions raised at the public meeting, and we look forward to the Zoning Commission's favorable consideration of this application.

Sincerely,



Kyrus L. Freeman

Attachments

cc: Advisory Neighborhood Commission 7C (w/attachments, via U.S. Mail)  
Advisory Neighborhood Commission 7E (w/attachments, via U.S. Mail)  
Maxine Brown-Roberts, D.C. Office of Planning (w/attachments, via Hand)