

1. What is the market value of the land today, including the value of the subterranean caverns and excluding the value? When was the last appraisal done and was it by a truly objective third party or are there interest-conflicted individuals involved? Is there a copy for the public to see? If not, why are we at the Zoning Board?

*The value of the site on October 1, 2013 was -\$3,650,000 as appraised by the independent firm of Valbridge Property Advisors | Lipman Frizzell & Mitchell LLC and submitted to the District of Columbia on October 31, 2013. Vision McMillan Partners ("VMP") understands that the Deputy Mayor for Planning and Economic Development ("DMPED") will submit this document to the Council for the land disposition process, and it should become part of the record and available for public inspection at that time.*

2. It seems that a RFQ for design of a master plan (won by developers, not designers) was bid, but there has not been any RFQ for construction or partnerships or high-rise construction. How can that be legal?

*The District-owned McMillan Site was previously under the jurisdiction of the National Capitol Revitalization Corporation (NCRC), which had development capabilities. When NCRC was dissolved, the District assumed control of the McMillan Site. VMP understands that the District did not have the capacity or desire to assume master development and vertical development responsibilities in the same manner as originally envisioned by NCRC. Because NCRC, the District and the community carefully vetted VMP for vertical development capability during the solicitation process, the District made the policy decision, pursuant to its authority, to include vertical development responsibility as a part of the partnership with VMP. The District reached out to the community in late 2007, through the McMillan Advisory Group ("MAG"), to discuss VMP serving as the master and vertical developer. The MAG was supportive of this concept.*

3. Does this public/private partnership reflect the best interest of the people when it is, in effect, a taking of the peoples' land and a giving to private owners for private profit?

*The public land disposition process provides for the evaluation of this issue by Council. The portion of the site to be transferred to private ownership (five parcels) will be sold at Fair Market Value ("FMV"). The remainder of the site will be owned by the District (public).*

4. What will it cost the District to deliver the pads, and what will the developers pay the District for the pads, and what is the estimated total purchase price going into the District account?

*Preliminary cost estimates indicate the following major site expenses:*

<i>Public Infrastructure</i>	<i>\$14,600,000</i>
<i>Finished Pads</i>	<i>\$17,700,000</i>
<i>Historic Preservation</i>	<i>\$21,700,000</i>
<i>Parks and Open Space</i>	<i>\$12,800,000</i>
<i>Soft Costs/Other</i>	<i><u>\$ 9,700,000</u></i>
<i>Total Land Development</i>	<i>\$76,500,000</i>

*For the healthcare and mixed-use/multi-family parcels, the final purchase price for each parcel (FMV) will be determined by a return on cost basis calculation 6-12 months prior to closing. The FMV for the townhome parcel will be calculated as a percentage of the initial base sales price. Current estimates are between \$30-40M*

*depending on the final development scope allowed when entitlements are finalized and economic factors influencing the FMV when the pad sales close, which is likely two years in the future.*

5. How much net profit are the owners of VMP estimating at the completion of the project?

*It is impossible to answer this question prior to the land disposition process and pending administrative agency decisions.*

6. Is this a real public/private partnership?

*The project is a public/private partnership.*

7. Which side derives the greater benefit?

*This District and its citizens derive the greater benefit through the provision of new parks, open space, activation of a vacant and unsafe property, preservation of historic resources, a community center with swimming pool, preferred uses such as a grocery store and neighborhood retail, as well as \$875M in net new tax revenue over the first 30 years of the project.*

8. Where are the detailed budgets?

*There are cost estimates for the land development, park components and historic preservation. See response to question #4.*

9. Exactly and just one year ago a retroactive payment was made to VMP (of \$1.34 mm for the period of 12/12 - 11/13) based on a plan that proposed: a four-acre central park, 300 affordable and workforce housing units, 7,400 jobs and to generate close to \$1 .2 billion in incremental revenue for the District. As of today, all of those proposals have been changed, except the proposal to generate close to \$1.2b. Where is the detail behind that number? What are the specific line items? What is the time frame? And, when does it begin?

*100% of all payments to VMP are used to pay for approved pre-development activities of subcontractors, such as the master plan architect, the civil engineer and the transportation engineer. VMP itself is not paid for services rendered as the Development Management Services consultant on the land development.*

*The primary economic engine of the proposal – 1M SF of healthcare facilities – has not changed and hence the fiscal impact has not substantively changed. Please see Exhibit 17E in the Zoning Commission record (Case No. 13-14).*

10. Employment

- a. The proposed jobs number has been reduced to 6,000, and anyone in the business knows that that number still is grossly overstated. Where are the detailed numbers to support this claim? What are the specific jobs and skills required to support this claim?

*Direct job estimates are based on industry standard formulas for numbers of employees per square foot, net a vacancy rate. Please see Exhibit 17E in the Zoning Commission record (Case No. 13-14). Healthcare jobs present a diverse set of options for District residents, with varying levels of educational degrees, from high school diplomas and equivalencies to advanced degrees. The opportunities range from home health aides and EMTs, to researchers and physicians.*

- b. Where have you seen a project of this size with 3,000 construction workers?

*Nationals Park and City Center downtown are two recent examples in the District.*

- c. We were told last week that the VMP plan would create 3,000 permanent jobs, and earlier agreement stated that 50% would be Districts residents. What are the demographics of the unemployed in the District, and particularly in Ward 5? How old are they? How educated are they? I think the high unemployment number in Ward 5 exists because of the high drop-out rate at local high schools. These mostly are unskilled youth.

*Based on the latest available statistics dated April 2014 from the Department of Employment Services website, the unemployment rate for the District of Columbia is 7.5 percent and 11 percent in Ward 5. The DOES statistics do not provide the demographics of the unemployed.*

- d. What specific jobs has VMP associated with the various cohorts of the unemployment data? Is there a slide that shows that research?

*See testimony of Adam Weers, Trammell Crow Companies, before the Zoning Commission on May 8, 2014 (Z.C. Transcript, 5/8/2014 at 29-36); see also Exhibit 498 in Z.C. Case No. 13-14, at 1-7.*

- e. Is the real plan to attract skilled workers from neighboring states who will be able to afford the planned townhouses? Or, even worse, new commuters to the already saturated surrounding intersections?

*No, the real plan is to target DC residents for both temporary and permanent jobs.*

## 11. Housing

- a. What are the specifics of the housing, and is the housing planned the result of research on Ward 5 housing needs? If so, may we see it?

*The proposed housing program is based on citywide needs.*

- b. Here we are at the Zoning Board hearings, with gross square footages, but do we know how many units are planned? How many buildings: single family and multifamily? What specific types of units? Studios, one-, two-, and three-bedroom?

*The specifics of the housing planned for the site are shown on the drawings and information submitted to the Zoning Commission record. The exact unit mix may vary as the PUD drawings are further developed into construction drawings and the Applicant will request flexibility to provide a range in the number of units of plus or minus 10 percent, with no change in the total square feet of gross floor area.*

- c. How many truly affordable (forget government calculators and the law -- this should be about strengthening neighborhoods) so that the young families currently in the neighborhood could stay and expand?

*At least 20% of the total housing units will be affordable units, which includes both rental and for sale units.*

- d. How many new residents will be matriculating at the local schools? Where are the figures on that?

*Current estimates generate 100 new school-aged students.*

- e. How many units designated for seniors?

*85 units are proposed for senior residents*

12. Park

- a. How is the open park space measured exactly?

*The open park space is measured by a civil engineer using AutoCAD software referencing a survey of the site. The overall measurement of 12 acres of open space includes all space set aside for preservation, recreation and other community serving purposes. This includes the central park, the Olmsted Walk, Cell 14, the healing garden and the historic Service Courts.*

- b. What is the contiguous, flat square footage available for ball fields, playing fields, picnicking, promenading, etc.? Where is that information?

*The central park has 6.25 acres of contiguous park space suitable for the activities listed in the question. In addition Cell 14 provides a flat contiguous one-acre park space also suitable for the activities listed in the question. All information is available in drawings and information previously submitted to the record.*

13. Where is the input of the neighbors?

*Beginning with the RFP process and formation of the MAG in late 2007, the public has been involved in the process through countless community meetings, design charrette, forums and presentations. The Master Plan and Vision Principles are a direct result of this community participation.*

14. As the largest neighborhood enterprise, why was Children's Hospital Center not invited to the table?

*Children's Hospital was invited to the table and has provided input. See, for example, testimony of Adam Weers, ZC Tr., 5/5/14, at 187.*

15. The Historic Preservation Board members are appointed by the Mayor's Office. They were asked to review the VMP development plan, which essentially is the Mayor's plan. Is that not inherently a conflict of interest?

*No. It is consistent with any other public/private partnership and District-owned property where the property is subject to the Historic Landmark and Historic District Protection Act. Other District properties that have been subject to HPRB review include St. Elizabeth's campus, numerous fire stations (Cleveland Park, Tenleytown, MacArthur Boulevard, Georgia Avenue (Eng. Co. 24), among others), and numerous schools buildings (Rose Hardy Middle School, Gales School at 65 Massachusetts Ave., among others)*

16. Further, there is a historic preservation covenant in the sale document, which has not been addressed.

*The preservation covenants recorded with the deed of conveyance from the federal government to the District of Columbia were addressed by the Applicant at the May 1, 2014 Zoning Commission hearing (Z.C. Tr., 5/1/14) and again by the Office of Planning and the Historic Preservation Office in a memo submitted to the record as Exhibit 776.*

17. Finally, the report determined, and I quote, "that the proposal will result in substantial demolition, as defined in the preservation regulations, and therefore inconsistent with the purposes of the Historic Landmark and Historic District Protection Act." This demolition is unacceptable, and it makes me question, again, why are we at the Zoning Board?

*The "acceptability" of demolition of an historic landmark is determined by the Mayor's Agent for Historic Preservation through a formal hearing process. VMP filed the necessary application on May 22, 2014 for that process.*

18. This property is listed in The National Register of Historic Sites and designated as a DC Historic Landmark. What do those designations mean and require?

*Designation of the property as a D.C. historic landmark subjects the property to the D.C. Historic Landmark and Historic District Protection Act. Before a permit can be issued for any alterations, new construction, demolition or subdivision, the permit application must be reviewed by the Historic Preservation Review Board and approved by the Mayor's Agent for Historic Preservation. Additionally, any request for demolition or subdivision of an historic landmark requires a formal hearing before the Mayor's Agent for Historic Preservation. The listing on the National Register of Historic Places does not place any restrictions on the property.*

19. Until this issue is dealt with, why is your time and our implicit taxpayer dollars going into Zoning hearings? Aren't these hearings dramatically premature?

*The Zoning Commission addressed this issue in considering a pre-hearing motion on May 1, 2014 to postpone the PUD hearings. See ZC Tr., 5/1/14, at 19-21.*

20. The City's development plan includes some LEEDS Silver construction. If this is a true public/private partnership, and if the City is truly committed to an environmentally-improved and sustainable future, why is there not a commitment for LEEDs Gold or Platinum?

*The District of Columbia does not require that the development plan be certified LEED Gold or Platinum. The Master Plan and each included building will be certified at least LEED Silver or its equivalent.*

21. Why are all of the roofs not paneled for solar?

*Solar panels may be installed as part of the LEED or Green Communities Certification process. This will be determined during the design development process. Owners of the townhomes may install solar panels if they desire.*

22. Is the project consistent with best practices for the environment?

*Yes, it is consistent with best practices for stormwater management, low-impact development and sustainable design. Our "on-site" storm water management will meet the latest storm water regulations that have been recently implemented by the District Government. The onsite systems proposed will consist of many different types of "low impact design" (LID) techniques. The proposed palette of LIDs shall consist of (and not be limited to): pervious pavement in sidewalks, roadways, alleys, and parking spaces; bio-swales; bio-tree pits and inlets; cartridge filters; oil/grit separators; rain gardens; green screens; detention vaults; and cisterns. The large open space park and the service corridors will allow us to apply many of these and other cutting edge techniques. Currently the site has NO storm water management facilities included or connected to it. The proposed condition will significantly improve water quality, reduce the volume of runoff and control the release and safe conveyance of all storm drainage.*

23. VMP, themselves, did not know that the 30-inch green roof/park is thick enough for excellent permeability - in addition to having been engineered to capture excess water into a sophisticated system of collection and drainage. The lack of standing water is a good clue. Has adequate engineering and homework been done by the parties?

*The existing soil is in fact NOT pervious NOR absorbent, and although much of the site appears flat, it crowns in the center (like a street does). So water does not stand but instead sheets off the sides then runs south along the natural topography at its sides.*

24. Why would any intelligent planner suggest locating Bike Shares where emergency vehicles arrive at Children's and Washington Medical Center?

*Bikeshare symbols on plans are diagrammatic. VMP has committed to accommodating at least three stations, but the final locations are determined by DDOT and Capitol Bikeshare prior to implementation.*

25. DDOT will not take action until the permitting stage of the development, so no cycle track or shared-use paths are planned, even though they would be required according to AASHTO study data. How can that issue not be a required part of the up-front design presentation?

*Concepts for a bicycle lane have been developed for First Street NW and will be submitted in a follow-up report to DDOT. VMP does not control the DDOT timing or permitting process.*