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February 18, 2015

VIA HAND DELIVERY

Anthony J. Hood, Chairman
Zoning Commission for the District of Columbia
441 Fourth Street, NW, Suite 210S
Washington, DC 20001

Re: Zoning Commission Case No. 14-12 – Application of EAJ 1309 5th Street LLC to the D.C. Zoning Commission for a Consolidated and First Stage Planned Unit Development and Related Zoning Map Amendment for 1309-1329 5th Street NE (Lot 800, Square 3591) (the “Property”) – Applicant’s Public Benefits and Proffers

Dear Chairman Hood and Commissioners:

Pursuant to the requirements in Sections 2403.16–2403.18 of the Zoning Regulations, on behalf of EAJ 1309 5th Street LLC (the “**Applicant**”), the applicant in Zoning Commission Case No. 14-12, this letter addresses the public benefits and project amenities being proffered by the Applicant and the draft conditions that are both specific and enforceable. Below is a chart of the proffered amenities and proposed conditions related to the project.

<u>Proffer</u>	<u>Proposed Condition</u>
Exemplary Urban Design and Architecture, through enhancing and celebrating the characteristics of the Union Market district, the use of thoughtful integration into the neighborhood, innovative architecture, high-quality materials, hardscape improvements, and visually-appealing landscaping features.	1. The PUD shall be developed in accordance with the architectural drawings prepared by Shalom Baranes Architects, Bohler Engineering, and Mahan Rykiel, submitted into the record on July 10, 2014 as Exhibit 2A, as modified by the architectural drawings and pages submitted on August 29, 2014 as Exhibit 13 in the record, as modified by the architectural

	<p>drawings and pages submitted on December 16, 2014 as Exhibit 19 in the record, as modified by the architectural drawings and pages submitted on February 2, 2015 as Exhibit 35A in the record, as modified by the architectural drawings and pages submitted on February 11, 2015, as Exhibit 44 in the record, and as modified by the architectural drawings and pages submitted on March 2, 2015 as Exhibit ____ [<i>Post-hearing submission of architectural drawings</i>] in the record, and as modified by the guidelines, conditions, and standards herein (collectively, the "Plans").</p> <p>2. The PUD shall include a mixed-use building at the south of the Property, which was approved by the Zoning Commission as a consolidated PUD, containing approximately 62,423 gross square feet of retail use, approximately 42,000 gross square feet of theater use, and approximately 112,000 gross square feet of residential or office use. The maximum density of the South Building shall be 2.52 FAR. The PUD shall include a mixed-use building at the north of the Property, which was approved by the Zoning Commission as a Phase 1 PUD, containing approximately 35,000 gross square feet of retail use and approximately 42,000 gross square feet of theater use, and approximately 290,000 gross square feet of residential or office use gross. The maximum density of the North Building shall be 3.78 FAR. The total maximum density of the project shall be 6.3 FAR.</p> <p>3. The maximum height of the buildings shall be 120 feet as shown on the Plans.</p> <p>4. The project shall provide no parking in the South Building. The project shall include a minimum of 300-475 vehicle parking spaces in the below-grade parking garage beneath the North Building. The project shall provide one 30-foot loading berth and one 100 square foot loading</p>
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	<p>platform in the South Building, as shown on the Plans. Loading for the North Building will be approved as part of its Phase 2 approval.</p>
<p><u>Neighborhood serving amenities</u>, through the provision of retail use on the ground and first floors and the theater use in Ward 5. The Applicant will provide approximately 62,423 gross square feet of engaging retail, including “The Market” at Union Market, along with the approximately 42,000 gross square foot theater, and another approximately 35,000 gross square feet of retail use in the North Building. This retail will help enliven the street and continue to attract people and investment to the neighborhood and create employment opportunities in Ward 5.</p> <p><u>Site Planning and Efficient Land Utilization</u>, through the delivery of three uses to the emerging Union Market district. The design also takes advantage of grade change at the property, while optimizing retail frontage and street activation and knitting the urban fabric together within the Union Market district.</p>	<p>1. <i>(Repeated from above)</i> The PUD shall be developed in accordance with the architectural drawings prepared by Shalom Baranes Architects, Bohler Engineering, and Mahan Rykiel, submitted into the record on July 10, 2014 as Exhibit 2A, as modified by the architectural drawings and pages submitted on August 29, 2014 as Exhibit 13 in the record, as modified by the architectural drawings and pages submitted on December 16, 2014 as Exhibit 19 in the record, as modified by the architectural drawings and pages submitted on February 2, 2015 as Exhibit 35A in the record, as modified by the architectural drawings and pages submitted on February 11, 2015, as Exhibit 44 in the record, and as modified by the architectural drawings and pages submitted on March 2, 2015 as Exhibit ____ [<i>Post-hearing submission of architectural drawings</i>] in the record, and as modified by the guidelines, conditions, and standards herein (collectively, the "Plans").</p> <p>2. <i>(Repeated from above)</i> The PUD shall include a mixed-use building at the south of the Property, which was approved by the Zoning Commission as a consolidated PUD, containing approximately 62,423 gross square feet of retail use, approximately 42,000 gross square feet of theater use, and approximately 112,000 gross square feet of residential or office use. The maximum density of the South Building shall be 2.52 FAR. The PUD shall include a mixed-use building at the north of the Property, which was approved by the Zoning Commission as a Phase 1 PUD, containing approximately 35,000 gross square feet of retail use and approximately 42,000 gross square feet of theater use, and approximately 290,000 gross square feet of residential or office use</p>

	<p>gross. The maximum density of the North Building shall be 3.78 FAR. The total maximum density of the project shall be 6.3 FAR.</p>
<p><u>Housing and Affordable Housing</u>, through the provision of approximately 8% of the residential gross floor area as affordable housing units. Two (2) residential units equivalent to 20% (or approximately 1,772 gross square feet) of the residential gross floor area to be set aside for as affordable housing will be reserved for households earning up to 50% of the Area Median Income. The remainder of the affordable housing units will be provided for households earning up to 80% of the Area Median Income.</p>	<p>5. <u>Prior to issuance of the first Certificate of Occupancy for the new component(s) of the South Building</u>, if the uppermost component of the South Building is constructed for residential use, the Applicant shall demonstrate that it has set aside 8% (approximately 8,860 square feet) of the gross floor area of the residential component of the South Building as affordable housing, which shall include the provision of two (2) residential units comprised of not less than 20% of the affordable gross floor area set aside (or approximately 1,772 gross square feet of any unit type) for households with an annual income of no more than 50% of the Area Median Income for the Washington, DC Metropolitan Statistical Area (adjusted for household size) (“AMI”) while the remainder of such affordable gross floor area set aside (or approximately 7,688 gross square feet) for households with an annual income of no more than 80% of the AMI. The total set aside of the affordable units shall be of a size and type comparable to the market-rate units.</p>
<p><u>Environmental Benefits</u> will be incorporated through extensive sustainable features. The project will be designed to a LEED Silver, 2009 level.</p>	<p>6. <u>Prior to issuance of the first Certificate of Occupancy for the new component(s) of the South Building</u>, the Applicant shall provide evidence that the building has been designed to achieve a LEED Silver, 2009 level and will obtain certification of such level for the theater and office components of the building from the United States Green Building Council.</p>
<p><u>Open Spaces Able to be Accessed by the Public</u> will be provided in the form of the “Union Market Park” and the “Union Market Plaza” in alignment with the Florida Avenue Market Small Area Plan’s goals to provide parks and open space.</p>	<p>7. <u>Within 90 days of the issuance of the first Certificate of Occupancy for the new component(s) of the South Building</u>, the Applicant shall provide at its cost, the “Union Market Park” and “Union Market Plaza” areas shown in the Plans and as</p>

	<p>described in Exhibits 19H and 35B in the record. The Union Market Park shall be comprised of approximately 7,000 square feet of land area. The Union Market Plaza shall be comprised of approximately 12,500 square feet of land area. The Applicant will maintain the Union Market Park and Union Market Plaza areas for five years after the issuance of a Certificate of Occupancy for the new components of the South Building and may actively program them with events. The Applicant will provide a ten foot wide unobstructed space for the east/west dimension of the Union Market Park for the duration of the project. Such unobstructed area may be combined with property of the property owner to the south.</p> <p>8. The Union Market Plaza will be designed and improved in two stages. The first stage will be the interim condition for the time period between the completion of the South Building and the beginning of construction of the North Building. During this time, the Plaza will exist as an improved area but without the final finishes and furnishings. During the construction of the North Building, the Plaza will not be available for the public except to the extent that such space is necessary to enter into the adjacent retail and event spaces and to perform loading or similar operations for the South Building. The second and final stage of the Plaza will be improved during the construction of the North Building and become available upon the completion of the North Building. This will be the fully-finished and improved public plaza.</p>
<p><u>Preservation and retention of “The Market” building</u>, through spanning over the entire structure with separate foundation, structural, and building systems to help maintain the neighborhood’s authentic character.</p>	<p>9. The Applicant will preserve and retain the existing structure currently housing “The Market” as shown on the Plans.</p>

<p><u>Maintain operation of “The Market” during construction</u>, through special construction accommodation allowing tenants and customers to access “The Market” building during such time.</p>	<p>10. The Applicant will maintain “The Market” as open and operational throughout construction of the remainder of the project adjacent to and above The Market structure.</p>
<p><u>Enhanced Security Commitment</u>, through the provision of additional private security patrols on the public streets within the Union Market district.</p>	<p>11. <u>Upon issuance of the first Certificate of Occupancy for the new component(s) of the South Building and until five (5) years after such date</u>, the Applicant shall provide security patrols as described on Pages 6 and 7 of Exhibit 35 for the areas shown on Pages 1 and 2 of Exhibit 35E up to an amount of \$400,000/year.</p>
<p><u>Educational Programs</u>, through the provision of employee time and company resources to arrange and maintain programming related to the use of the Market associated with local schools and students.</p>	<p>12. <u>Prior to the issuance of the first Certificate of Occupancy for the new component(s) of the South Building</u>, the Applicant shall create educational programs as described on Page 40 of Exhibit 44 for the life of The Market. The three components of the educational programs are:</p> <ol style="list-style-type: none"> 1. Educational programs or tours with local school students – The Applicant will provide individuals and the expertise to develop a curriculum, provide materials, and implement and teach participating local school students approximately monthly. These programs and tours will comprise varying subject matter each month relating to the use of The Market (of the Applicant’s or affiliated school’s choosing), typically last approximately two to three hours, and consist of approximately ten to thirty students, depending on the interest levels in the relevant subjects. 2. High school internship program – The Applicant will arrange for an internship for an area high school student to work a limited number of hours at The Market during the school year and summer break to

	<p>gain work experience, including experiencing first-hand the business operations and providing early job and entrepreneurship skills.</p> <p>3. Individual educational sessions – The Applicant will provide no less than five (5) educational sessions per year with students from local schools or other interested participants on an individual basis regarding subjects relating to The Market such as healthy eating and budgeting.</p>
<p><u>5th Street NE Interim Condition Parking and Loading Management</u> through the design and installation of an interim parking management program for 5th Street, NE from Morse to Penn Street, NE.</p>	<p><u>13. Prior to the issuance of the first Certificate of Occupancy for the new component(s) of the South Building,</u> the Applicant will design and install an interim parking management program for 5th Street, NE, including the design and installation of striping and signage, subject to DDOT approvals during the public space permitting process. The Applicant shall have flexibility to revise the design of the public space surrounding the property as needed, based upon the continued coordination with DDOT.</p>
<p><u>Donation of Event Space to Community,</u> through the provision of discounted or free event space or related services to the community or non-profits or similar institutions in the DC metropolitan area at a value of \$30,000 per year.</p>	<p><u>14. Beginning upon the recordation of the first PUD Covenant for the project and until five (5) years after such date,</u> the Applicant shall provide discounted or free event space or related services in the project or, if available and applicable, adjacent outdoor space to the community, non-profits or similar institutions in the DC metropolitan area at a value of \$30,000 per year. The benefited community, non-profits or similar groups will include organizations that have utilized the event space in the past, as summarized on Exhibit ___ <i>[Post-hearing submission detailing community users of event space]</i> or similar community groups or organizations.</p>

<p><u>Community Events</u>, through the provision of no less than ten (10) community events for five (5) years.</p>	<p>15. <u>Beginning upon the recordation of the first PUD Covenant for the project and until five (5) years after such date</u>, the Applicant shall host no less than ten (10) community events for five (5) years in accordance with the description on Pages 8-9 in Exhibit 35. The events will include, or be similar to, community events that have been held at the Property, as summarized on Exhibit ___ [<i>Post-hearing submission detailing community users of event space</i>].</p>
<p><u>Neal Place and 5th Street Sidewalk Upgrades</u>, to help facilitate pedestrian circulation around the Union Market district beyond only those areas adjacent to the Property.</p>	<p>16. <u>Prior to the issuance of the first Certificate of Occupancy for the new component(s) of the South Building</u>, the Applicant will upgrade the southern Neal Place sidewalk between 4th and 5th Streets, NE and the western 5th Street sidewalk between Neal Place and Penn Street, NE to DDOT-compliant standards, as necessary, subject to DDOT approval and the issuance of public space permits and further subject to limited deviations from DDOT standards as required by the current location of infrastructure adjacent to such sidewalks.</p> <p>The final plan for the sidewalk on the south side of Neal Place between 4th and 5th Streets will include:</p> <ol style="list-style-type: none">1. A six foot (6') wide clear path to meet ADA and DDOT standards with the exception of pinch points due to existing infrastructure that may remain.2. Replacement of curb ramps to meet ADA and DDOT standards.3. Moving light pole(s), if necessary.4. Striping in parallel parking. <p>The final plan for the sidewalk on the west side of 5th Street between Neal Place and Penn Street will ensure that a DDOT standard sidewalk is in place.</p>

<p><u>Streetscape Design Guidelines</u>, to assist in exploring and designing a cohesive, unique public space design framework for the Union Market district.</p>	<p>17. <u>Prior to the issuance of the first Certificate of Occupancy for the new component(s) of the South Building</u>, the Applicant will commission and receive the streetscape design guidelines for the Union Market district, in accordance with Page 3-4 of Exhibit 35 and Exhibit 35D, subject to DDOT approval. The Applicant may design and construct the public space adjacent to the project in accordance with the recommendations of the streetscape design guidelines, subject to DDOT approvals during the public space permitting process.</p>
<p><u>Adopt-A-Block</u>, through the regular clean up of trash and removal of graffiti along 5th and 6th Streets, NE between Florida Avenue and Penn Street, NE.</p>	<p>18. <u>Prior to the issuance of the first Certificate of Occupancy for the new component(s) of the South Building</u> and for the life of the Project, the Applicant will participate in the District’s Adopt-a-Block program or a similar program (or become part of a business improvement district which shall assume responsibility for similar duties). In so doing, the Applicant will regularly clean up trash and remove graffiti along 5th and 6th Streets, NE between Florida Avenue and Penn Street, NE.</p>
<p><u>Way-Finding Signage</u>, through the provision of signage to access the Union Market district from New York Avenue, NE utilizing Brentwood Avenue, NE, as requested by DDOT.</p>	<p>19. <u>Prior to the issuance of the first Certificate of Occupancy for the new component(s) of the South Building</u>, the Applicant will install way-finding signage to access the Union Market district from New York Avenue, NE utilizing Brentwood Avenue, NE subject to DDOT (and, if necessary, Federal) approvals during the public space permitting process.</p>
<p><u>Effective and Safe Vehicular and Pedestrian Access and Transportation Management Measures</u>, including bicycle parking and financial incentives for tenants and/or residents to utilize public transportation.</p>	<p>20. The Applicant shall implement measures to promote the use of public transit and bicycle transportation, and discourage the use of motor vehicles, as set forth in the Applicant’s Transportation Demand Management Plan described on Page 7 of Exhibit 18A, (the Applicant’s Transportation Impact Study), Pages 16-17</p>

	<p>of Exhibit 35, and the supplemental and additional elements described by Applicant on Page 47 of Exhibit 44. Such Plan elements are as follows:</p> <ul style="list-style-type: none">a. The Applicant shall designate a TDM coordinator, who is responsible for organizing and marketing the TDM plan and who will act as a point of contact with DDOT.b. All parking on site will be priced at market rates at minimum, defined as the average cost for parking in a 0.25 mile radius from the site. All residential parking will be unbundled from the costs of leasing apartments or purchasing condos.c. Bicycle parking will be provided in the North Building garage meeting existing regulatory minimums.d. The building lobbies will display transit and other alternate mode information, using electronic messaging boards.e. The Applicant shall reserve at least two (2) parking spaces for a car-sharing service in the North Building's underground parking garage, provided that the space is desired by a car-sharing service (and if it is not, then it shall revert to the Applicant's general use).f. The Applicant shall provide a \$40 subsidy for a car sharing program or bike share program upon move-in for each new resident for the first three (3) years after the issuance of the Certificate of Occupancy for the building's residential use; andg. The Applicant shall provide two (2) electronic message screens displaying real-time transportation information in the building – one on the first floor of the South Building and one on the lowest floor of the residential or office component.h. The Applicant shall provide
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	<p>following bicycle parking:</p> <ul style="list-style-type: none">i. Prior to the issuance of the Certificate of Occupancy for South Building:<ul style="list-style-type: none">a. Permanent bicycle storage space containing bicycle facilities will be on the lowest residential or office floor for the residential or office use in the South Building as required by DC Municipal Regulations for that use.b. Temporary bicycle storage space for approximately 54 short term bicycle parking will be located outside and around the South Building.ii. Prior to the issuance of the Certificate of Occupancy for the North Building:<ul style="list-style-type: none">a. The number of permanent bicycle parking facilities for the theater and new retail uses in the South Building (8 spaces) will be located on the first floor or first subgrade level of the parking garage in the North Building.b. Bicycle storage space containing permanent bicycle storage facilities for all retail and residential or office uses will be located in the North Buildingiii. Short term bicycle parking spaces will be located outside of the North Buildingi. The Applicant shall provide following bicycle parking:<ul style="list-style-type: none">a. Office: each office worker will be provided with access to a corporate bike share membership up to the maximum value of \$15,000 cumulatively for the Project.b. Residential: all new tenants will be provided with a car
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	<p>share or bike share membership up to the maximum value of \$14,000 cumulative for the Project.</p> <p>j. The Applicant shall provide information and website links to commuterconnections.com, goDCgo.com, and other transportation services on developer and property management websites.</p>
<p><u>Loading</u> and continued coordination with DDOT.</p>	<p>21. The Project shall provide loading consistent with the Plans, provided that the Applicant shall have flexibility to modify such plans in response to the public space permitting process.</p>
<p><u>Employment Opportunities</u>, including a first Source employment agreement. The applicant's construction manager/contractor for the project will include the agreement as a part of its contracts with all subcontractors, and will require the construction manager/contractor to provide documentation to the District.</p>	<p>22. <u>Prior to the issuance of the first Certificate of Occupancy for the new component(s) of the South Building</u>, the Applicant shall enter into a First Source Employment Agreement with the Department of Employment Services in the form submitted into the record as Exhibit 35G to achieve the goal of utilizing District of Columbia residents for at least 51% of the new construction jobs created by the project.</p>

II. Conclusion

We look forward to the Zoning Commission taking Final Action on this case. If you have any questions regarding this application, please feel free to contact Maureen at 202-721-1101 or Jeff at 202-721-1132. Thank you for your attention to this application.

Respectfully submitted,

Maureen E. Dwyer / gen

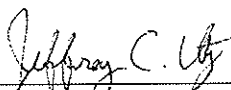
Maureen E. Dwyer

Jeffrey C. Utz

Jeffrey C. Utz

Certificate of Service

I certify that on February 18, 2015, I delivered a copy of the foregoing document via hand delivery or first class mail to the addresses listed below.



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