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May 6, 2019

VIA IZIS

Chairman Anthony Hood District of Columbia Zoning Commission 441 4<sup>th</sup> Street, N.W., Suite 210 Washington, DC 20001

> Re: Zoning Commission Case No. 06-10D – Revised Public Benefits Proffered By the Applicant and Proposed Conditions in Response to OAG and OP Comments

Dear Chairman Hood and Members of the Commission:

Pursuant to §308.12 of Subtitle X of Title 11 of the District Code of Municipal Regulations, the Applicant hereby submits its final chart of proffers and corresponding conditions of approval that respond to comments from the Office of the Attorney General and the Office of Planning.

Proffered Benefit	Proposed Condition
Superior Urban Design and Architecture. Block B of the Art Place at Fort Totten (the "Project") is a unique, culturally immersive, art-inspired place that brings a unique, world-class arts and cultural destination to the Lamond Riggs and Fort Totten neighborhoods. The urban design strategy reinforces the overall intent of the master plan, to make a great transit-oriented neighborhood at Fort Totten, with walkable streets, great outdoor places and a diverse program of activities and living accommodations. <i>No change to this proffered benefit.</i>	The Project shall be developed in accordance with the plans marked as Exhibit <u>44A1-44A10</u> of the record in this case, as modified by the guidelines, conditions, and standards herein (the "Plans"). The only change to this proposed condition is to add the exhibit numbers for the final plans that were submitted to the Zoning Commission on May 2, 2019.
Promotion of the Arts and Uses of Special Value to the Neighborhood or the District of Columbia as a Whole The Applicant has partnered with Meow Wolf, an innovative arts collective, that will offer a unique and immersive art experience	Prior to the issuance of a Certificate of Occupancy for the Meow Wolf space, the Applicant will provide evidence to the Zoning Administrator that residents

Proffered Benefit	Proposed Condition
that will provide both District residents and visitors an opportunity to enjoy a truly distinctive and exceptional experience. Meow Wolf has separate admissions prices for adults, children, and seniors/military members. Meow Wolf will provide a discounted admission fee of 15% for DC residents. <b>OAG Comments - The Office of the Attorney General</b> determined that this proffer does not comply with 11-X <b>DCMR 305.3(b) because there is no way to measure the value</b> of the discount as the number of people that will utilize the discount can't be determined, and because the discounts will not be completed or arranged prior to the issuance of a C of O for the Meow Wolf space. Consistent with the treatment of similar proposals in other recent PUD cases, OAG advised that the Applicant should not refer to these discounts as proffers in its draft Findings of Fact and Conclusions of Law, but still include the proposed condition. <i>Applicant's Response - The Applicant believes that the reduced</i> <i>admissions fees for DC residents are ultimately a benefit of the</i> <i>PUD project. However, the Applicant has no objection to</i> <i>OAG's proposal to not call the reduced admissions fees a</i> <i>proffer of a public benefit, but still include the condition which</i> <i>requires the Applicant to provide the reduced admissions fees.</i>	of the District of Columbia will be able to receive discounted entry fees that are 15% less than the admissions fees charged for similar non DC residents. These discounted entry fees will be applicable for the life of the Project. <i>No change to this proposed condition.</i> <i>The Applicant continues to propose</i> <i>this a condition of the Zoning</i> <i>Commission's approval.</i>
Promotion of the Arts and Uses of Special Value to the Neighborhood or the District of Columbia as a Whole. The Project includes space for Explore! Children's Museum. The mission of Explore! is to create a DC-based children's museum that engages children and District residents at many levels and to inspire children to be curious thinkers, creators, communicators and collaborators. As a Neighborhood Appreciation Day, Explore! will offer discounted admission of 25% off then- prevailing ticket prices to residents of Wards 4 and 5 on a quarterly basis.	Prior to the issuance of a certificate of occupancy for the Explore! Children's Museum space, the Applicant will provide evidence to the Zoning Administrator that residents of Ward 4 and Ward 5 will receive discounted entry fees of 25% off then-prevailing ticket prices on a quarterly basis. These discounted entry fees will be applicable for the life of the Project.
OAG Comments - The Office of the Attorney General determined that this proffer does not comply with 11-X DCMR 305.3(b) because there is no way to measure the value	No change to this proposed condition. The Applicant continues to propose

Proffered Benefit	Proposed Condition
of the discount, as the number of people that will utilize the discount can't be determined, and because the discounts will not be completed or arranged prior to the issuance of a C of O for the Explore! Children's Museum space. Consistent with the treatment of similar proposals in other recent PUD cases, OAG advised that the Applicant should not refer to these discounts as proffers in its draft Findings of Fact and Conclusions of Law, but still include the proposed condition. Applicant's Response - The Applicant believes that the reduced admissions fees for Ward 4 and 5 residents are ultimately a benefit of the PUD project. However, the Applicant has no objection to OAG's proposal to not call the reduced admissions fees a proffer of a public benefit, but still include the condition which requires the Applicant to provide the reduced admissions	this a condition of the Zoning Commission's approval.
<i>Superior Landscaping, Creation of Open Spaces.</i> Block B includes extensive plaza areas, café spaces and pedestrian focused activity. These areas are identified as: the HUB Plaza, Art Place Plaza, Central Plaza, and Kennedy Plaza, the to-be-closed 4 <sup>th</sup> Street - which becomes a Flexible Pedestrian Zone, and the public streetscapes along South Dakota Avenue, Ingraham Street, and Kennedy Street. A dog-run is provided at the corner of 4 <sup>th</sup> Street and Kennedy Street. <b>OAG Comments - The Office of the Attorney General determined that the proffer related to the relocation of the Dog Run is too vague because it doesn't say when it will occur and it is not tied to the issuance of a particular C of O. <i>Applicant's Response – The Applicant has modified the condition in response to OAG's comments.</i></b>	For the life of the Project, the Applicant will maintain the plaza and pedestrian areas shown on the Plans, including the dog-run. <u>The Applicant will relocate</u> <u>the dog-run prior to the issuance of a</u> <u>Certificate of Occupancy for the</u> <u>development of Block D, in order to</u> <u>accommodate the realignment of</u> <u>Kennedy Street.</u>
Promotion of the Arts and Uses of Special Value to the Neighborhood or the District of Columbia as a Whole. The Applicant is proposing a series of artist studio and maker spaces in the ground floor of the northern end of the closed 4 <sup>th</sup> Street. The Applicant will enter into a contract with an arts	Prior to the issuance of a certificate of occupancy for the Explore! Children's Museum space, the Applicant will provide evidence to the Zoning Administrator that residents of Ward 4

Proffered Benefit	Proposed Condition
organization that will interview and select the artists for the studio and maker spaces. The Applicant will rent these spaces to artists at a dollar/sf net monthly lease rate not to exceed 50% of the average dollar/sf net monthly lease rate charged to the other retail tenants in the Project.	and Ward 5 will receive discounted entry fees of 25% off then-prevailing ticket prices on a quarterly basis. These discounted entry fees will be applicable for the life of the Project.
OAG Comment - The Office of the Attorney General determined that this proffer does not comply with 11-X DCMR 305.3(b) because the leases with the rent discount will not be completed or arranged prior to the issuance of a C of O for those spaces.	No change to this proposed condition. The Applicant continues to propose this a condition of the Zoning Commission's approval.
Applicant's Response - The Applicant believes that the reduced rents for the artist studio and maker spaces are ultimately a benefit of the PUD project. However, the Applicant has no objection to OAG's proposal to not call the reduced rental rates a proffer of a public benefit, but still include the condition which requires the Applicant to provide the reduced admissions fees.	
Environmental and Sustainable Benefits. The Applicant will pursue sustainability certification for the entire PUD under the US Green Building Council's LEED Neighborhood Development (ND) rating system. <i>No change to this proffered benefit.</i>	Prior to the issuance of the first certificate of occupancy for the Project, the Applicant shall provide evidence to DOEE and/or the Zoning Administrator that the entire PUD will be able to secure certification under the LEED ND rating system. <i>No change to this proposed condition.</i>
Employment and Training Opportunities. The Applicant will continue to abide by the terms of the First Source Employment Agreement that were followed during the development of Block A. The grocery store operator believes that being a part of a community means hiring locally. Therefore, the grocery store	Prior to the issuance of the first building permit for the Project, the Applicant shall provide evidence of the signed First Source Employment Agreement that was followed during the development of Block A.

Proffered Benefit	Proposed Condition
operator will hold at least three monthly hiring open houses in the four months prior to the opening of the store. The open houses will provide local job candidates with information on employment opportunities with the grocery store operator. <i>No change to this proffered benefit.</i>	Prior to the issuance of a certificate of occupancy for the grocery store space, the Applicant (or the grocery store operator) will provide evidence to the Zoning Administrator that at least three monthly hiring open houses were held in the four months prior to the opening of the store. The open houses will provide local job candidates with information on employment opportunities with the grocery store operator.
Housing and Affordable Housing.	
The Consolidated and First-Stage PUD Order for the Project (ZC Order Nos. 06-10, 06-10A - 06-10C) required the provision of 171 income and age restricted residential rental units in the approved PUD. Block A includes 141 income and age restricted units. Block B will contain 30 artist housing units which will be reserved as affordable for a period of 20 years from the issuance of the first Certificate of Occupancy in Block B at the 60% MFI level. Consistent with the affordable housing requirements of the First-Stage PUD Order, the 30 artist affordable units will be distributed vertically and horizontally through the residential building in Block B, but not on the upper two floors, at a ratio of unit types that are consistent with the market-rate unit types. The Applicant will enter into a contract with a qualified organization that will interview and select the qualified artists for these residential units. <i>No change to this proffered benefit.</i>	Prior to the issuance of a building permit for the residential portion of the Project, the Applicant shall provide the Zoning Administrator with evidence that the recorded Affordable Housing Covenant for the entire PUD project ha been amended to reserve the 30 artist housing units in Block B to households with incomes not exceeding 60% MFI. <u>The period of affordability will be 20</u> years from the issuance of the first <u>Certificate of Occupancy in Block B.</u> Consistent with the affordable housing requirements of the First-Stage PUD Order, the 30 artist affordable units will be distributed vertically and horizontally through the residential building in Block B, but not on the upper two floors, at a ratio of unit types that are consistent with the market-rate unit types.

Proffered Benefit	Proposed Condition
	<ul> <li>Prior to the issuance of a certificate of occupancy for the residential portion of the Project, the Applicant will provide evidence to the Zoning Administrator that it has entered into a contract with a qualified organization that will interview and select the qualified artists for the artist affordable units.</li> <li>The only change to this proposed condition is to include a reference to the affordability period, as noted by the OAG and the Office of Planning.</li> </ul>
Mass Transit Improvements. The Applicant proposes to locate a Capital Bikeshare Station on the site, or at a nearby location identified by DDOT. <i>No change to this proffered benefit.</i>	Prior to the issuance of the first Certificate of Occupancy for the Project, the Applicant shall provide evidence to the Zoning Administrator that it has paid for the installation of a Capital Bikeshare Station on the site, or at a nearby location identified by
	DDOT. No change to this proposed condition.

Please feel free to contact the undersigned with any questions.

Sincerely, an F

Paul A. Tummonds, Jr.

Jennifer M. Logan

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## **Certificate of Service**

The undersigned hereby certifies that copies of the foregoing document will be delivered by e-mail and Regular Mail to the following agencies and Parties on May 6, 2019.

Stephen Cochran Jennifer Steingasser Office of Planning 1100 4<sup>th</sup> Street, SW, Suite 650 East Washington, DC 20024 (By E-Mail)

Jonathan Rogers Theodore VanHouten District Department of Transportation 55 M Street, SE, Fourth Floor Washington, DC 20003 (By E-Mail)

Jacob Ritting Office of the Attorney General for the District of Columbia 441 4<sup>th</sup> Street, NW – Suite 1010 South Washington, DC 20001 (By E-Mail)

ANC 5A 5171 South Dakota Avenue, NE Washington, DC 20017

Commissioner Gordon-Andrew Fletcher ANC SMD 5A08 — 350 Galloway Street, NE Apt 301 Washington, DC 20011 (By E-Mail)

ANC 4B 6856 Eastern Avenue, NE Suite #314 Washington, DC 20012

Commissioner LaRoya Huff ANC SMD 4B09 527 Oglethorpe Street, NE Washington, DC 20011 (By E-Mail) D.C. Zoning Commission May 6, 2019 Page 8

Lamond Riggs Citizens Association Uchenna Evans, President 915 Hamilton Street, NE Washington, DC 20011 (By E-Mail)

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