

March 16, 2015

VIA ELECTRONIC SUBMISSION

Mr. Anthony J. Hood
Chairman
D.C. Zoning Commission
441 4th Street NW
Suite 210S
Washington, DC 20001

Re: **Zoning Commission Case No. 13-08 – Consolidated PUD and Zoning Map Amendment Application- Post-Hearing Statement of the Applicant**

Dear Chairman Hood and Members of the Zoning Commission:

This letter and the attached materials serve as Square 5914, LLC's (the "**Applicant**") post-hearing submission. This post-hearing submission and the attached exhibits address all of the issues that were raised at the Zoning Commission's January 22, 2015 public hearing in the above-mentioned case.

Description of Dialogue with the Alabama Avenue/13th Street Tenants Coalition

Since the January 22, 2015 public hearing, the owner of the existing residential properties ("Residential Property Owner") has continually sought to engage in substantive discussions with the Alabama Avenue/13th Street Tenants Coalition ("Coalition") regarding the terms of the tenant relocation plan and the issues that were raised by the Coalition at the January 22, 2015 public hearing. Unfortunately, the Residential Property Owner's representatives have often found the Coalition to be unresponsive to these requests. An outline of the correspondence between the Residential Property Owner's representatives and the Coalition's counsel is included in Exhibit A. This outline details the correspondence between the parties from September of 2014 (the tenant relocation plan was presented to the Coalition in July of 2014), to the present date. Discussions between these parties actually started in December of 2013.

Since the January 22, 2015 public hearing, the Residential Property Owner has made a significant concession to the relocation plan offered to the tenants. **The Residential Property Owner is no longer asking that the tenants forego the exercise of their TOPA rights.** The Residential Property Owner has revised the draft agreement so that any decision that a tenant makes about returning to the new building after temporary relocation or accepting a buy-out would be made following the Residential Property Owner's receipt of a demolition permit

(which is only issued after the TOPA process is complete). This concession was requested by Mr. Merrifield and Mr. Puryear during their testimony before the Zoning Commission on January 22, 2015 and was noted as a significant deterrent to the Coalition's ability to enter into a tenant relocation agreement with the Residential Property Owner.

Despite this concession, the Applicant has not received a clear response from the Coalition. The Applicant understands the direction that was given to both parties by Chairman Hood regarding reaching an agreement on the tenant relocation plan. It is the Applicant's belief that the tenants think that they will be able to use their TOPA rights to purchase the property and then create a co-op building, or buildings, on the entire property. Therefore, they appear to be using this PUD and Zoning Map Amendment process as a means to gain leverage in negotiations with the Residential Property Owner. The Applicant remains ready, willing and able to finalize a tenant relocation plan with the Coalition.

Response to Questions Raised by Coalition President and Details of Tenant Relocation Plan

Attached as Exhibit B, are responses to the questions that were raised by Ruth Barnwell, President of the Coalition at the January 22, 2015 public hearing regarding the Applicant's tenant relocation plan. The Applicant's tenant relocation plan, consists of the following major components:

- All existing tenants have the ability to return to the new residential building;
- The residents will continue to pay the amount of rent they pay in their current units, subject to annual rent increases equal to the amount of the "automatic" rent increase allowed by DC's rent control law (CPI or CPI +2% depending on whether a tenant is senior or disabled), in both the temporary relocation unit and upon return to the new building. This proposal means that tenants are paying no more than what they would pay if they continued living in their current buildings and they are protected from other forms of rent increases allowed under rent control, such as hardship petitions or capital improvement petitions; and
- The Applicant pays all costs of relocation for the existing tenants, the relocation units will be located within two miles of the property (the landlord has provided the tenants with the opportunity to visit the relocation units).

In response to questions from the Zoning Commission regarding the number of tenants who have accepted a buy-out, the Residential Property Owner has not entered into any such agreements with existing or former tenants.

Management Company Process for Responding to Resident Requests for Service

The management company for the existing residential buildings on the property uses a 24 hour call center to initiate all maintenance requests from tenants. When a resident requests service through the 800 number a computerized work order is generated and sent automatically

to both maintenance and management. These requests are prioritized based on need. Emergency service is administered as quickly as possible with maintenance technicians on call 24 hours a day. Emergency service requests are addressed within 24 hours. Non-emergency requests are addressed within 72 hours. Sample maintenance call logs from residents that testified at the public hearing, with resident information redacted as appropriate, are included as Exhibit C.

Architectural Modifications

Roof Structures

In response to comments from the Commission, the Applicant has modified the color palette for the roof structure on the office building to a grey color in order to minimize its appearance. The revised color palette for this roof structures is depicted on page 1.3 in Exhibit D.

LEED Certification

The Applicant has agreed that the residential project will be designed to achieve a LEED Silver level of certification and the office component of the project will be designed to achieve a LEED Gold level of certification. Both buildings will go through the LEED certification process.

Modifications to the Private Alley, Retaining Wall and Fence

Attached as pages 1.11, 1.12, 3.5, 4.8, 7.0, and 7.2 of Exhibit D are a series of images which show the modifications that have been made to the private alley, the retaining wall, and the fence on top of the retaining wall in response to issues raised by the Commission at the January 22, 2015 public meeting. The private alley will include additional green screening and plantings in one foot wide planters along the retaining walls and green screens on the buildings. Significant amounts of permeable paving are provided throughout the alley, and an eight foot-tall black aluminum fence will be located on top of the retaining wall. The Applicant and its design team reviewed the need for a fence of this height and noted that this fence is located at the end (deep center field) of the baseball diamond of the adjacent school. In order to help ensure that the private alley does not cause a safety hazard to people using the adjacent playing field, the eight foot-tall fence was deemed appropriate.

Modifications to the Rear of the Residential Building

In response to comments from the Zoning Commission, the Applicant has revised the south façade of the residential building (see p. 1.6 of Exhibit D). The revised south façade now includes the same red brick found elsewhere on the residential building.

Modifications to the Round Retail Corner Element Marking the Entrance to the Plaza

In response to comments from the Zoning Commission, the Applicant has extended the rotunda element of the residential building to make it a more prominent feature of the building (see p. 1.1 and 1.2 of Exhibit D). The Applicant believes that the taller rotunda element provides a placemaking architectural landmark feature for the Metro entrance and the plaza created by the new buildings.

Relationship of Office Building to Adjacent School Building and Relationship of Project to Surrounding Context

In response to comments from the Zoning Commission, the Applicant has provided images of the relationship between the proposed office building and the adjacent Malcolm X School building (see p. 1.13 of Exhibit D). These images show that while the proposed office building is taller than the existing school, there is a graceful transition in scale between the buildings. The Applicant has also provided perspectives (p. 1.5, 1.6, 1.7, 1.9, and 1.10 of Exhibit D) which show the building's relationship to the existing residential and institutional uses adjacent to and across 13th Street from the project, as well as the proposed development of the St. Elizabeth's campus across Alabama Avenue.

Letter in Support from WMATA

A letter from WMATA, which outlines their role in the design review process and their support for the proposed project, is attached as Exhibit E.

Community Benefits Agreement

A copy of the Community Benefits Agreement (CBA) signed by the Applicant and the Chairman of ANC 8E is attached as Exhibit F. Section 12.10 of the CBA notes that the neighborhood organizations which are a party to the CBA have appointed ANC 8E Chairman Muhammad as their agent and representative related to the CBA. The Applicant has been told that all of the neighborhood organizations noted in the CBA have approved this document and that Mr. Muhammad's signature was authorized by those parties.

As noted in Mr. Muhammad's testimony at the public hearing, all of the neighborhood organizations that are included in the CBA will be affected by the development of this project. In regard to the annual financial contributions that will be made by the Applicant to these organizations, the Applicant is willing to require as a condition of the Commission's Order that each recipient provide an annual accounting of what the financial contribution was used for and the Applicant will be required to file that information with the Office of Zoning.

Calculation of the Affordable Housing Requirement for the Existing Zoning of the Property and the Amount of Affordable Housing Provided; Description of Enhanced Affordable Housing Commitment

The chart below addresses the Inclusionary Zoning (IZ) requirement that would be applicable if the site was developed as a matter-of-right in the existing R-5-A Zone District at the

maximum permitted floor area ratio (“FAR”) plus the bonus 20% afforded IZ projects, and the amount of affordable housing that is being provided in this PUD project. As noted below, the Applicant is providing 6,090 square feet of affordable housing more than would be created on the property than if it was developed as a matter-of-right. The amount of affordable housing reserved for households at 50% in perpetuity is the same as what would be achieved on the property as a matter-of-right.

Lot Area = 88,486 SF	Zone District – R-5-A (Existing)
Maximum Matter-of-Right Gross Floor Area	Max. FAR = 1.08 (0.9 + 20%) 88,486 X 1.08 = 95,565 SF
Inclusionary Zoning Req. for R-5-A Zone District	10% of Residential Gross Floor Area - 50% at 50% AMI and 50% at 80% AMI 95,565 X .10 = 9,556 SF (4,778 SF at 50% AMI and 4,778 SF at 80% AMI)
Inclusionary Zoning Proposal in this Application	15,655 SF (8% of the total residential gross floor area of the project ¹) 10,877 square feet at 80% AMI and 4,778 square feet at 50% AMI
Inclusionary Zoning Square Footage Provided in Excess of Existing Zone District	6,090 SF (15,655 – 9,565)

In response to the Zoning Commission’s encouragement to increase the level of housing affordability in the project, the Applicant has agreed to reserve 4,778 square feet of residential gross floor area at 50% of AMI. In sum, the affordable housing package for the project includes:

- 15,655 square feet of residential gross floor area will be reserved as affordable housing, 10,877 square feet for people making up to 80% of AMI, and 4,778 square feet for people making up to 50% of AMI, all in perpetuity; and
- There are currently 24 tenants in the existing buildings on the Property, if all of those tenants decide to return to the new project that would result in

¹ The revisions to the plans which were made in response to the Zoning Commission’s comments resulted in an increase in the amount of residential gross floor area provided in the project (from 191,056 sf to 195,684 sf). Therefore, the amount of affordable housing provided has also increased.

approximately 17,405 square foot of affordable housing provided in the project, with 70% of the returning tenants at rent levels that are no more than 30% of AMI, and 30% of the returning tenants at rent levels that are no more than 50% of AMI.

The Applicant also notes that one of the witnesses in opposition to the application questioned why was there no Housing Linkage payment required for the amount of office development that is being proposed in the project. As discussed throughout this case, the residential and office components of this project have been designed to be one cohesive whole. These abutting buildings have been seamlessly designed to frame the Metro plaza and they share the private alley system which allows for an efficient and effective internal transportation system. Therefore, it is entirely appropriate to include the total lot area in calculating the Inclusionary Zoning requirement, noted above, and the applicability of the Housing Linkage requirement to this project. This project does not trigger the Housing Linkage payment requirements, as the total amount of office gross floor area that is provided in this project is 226,695 square feet, which results in a FAR of only 2.56, which is significantly less than the 4.0 non-residential FAR that is permitted in the C-3-B Zone District as a matter-of-right.

Transportation Issues

Residential Permit Parking Availability

The Applicant has researched the ability of residents of this project to obtain residential permit parking (“RPP”) stickers for their cars. The existing Alabama Avenue and 13th Street addresses associated with this property are not eligible for RPP parking. The Applicant is willing to add a condition to the Zoning Commission’s approval of this application that prohibits any resident of this project from obtaining a RPP sticker.

Signalized Intersection at 15th Street and Alabama Avenue, SE

The District Department of Transportation (“DDOT”) requested that the Applicant fund the design and installation of a traffic signal at the intersection of Alabama Avenue, SE and 15th Street, SE. In testimony at the public hearing, the Applicant’s transportation engineer noted that the costs associated with the design and installation of a traffic signal are approximately \$300,000 - \$350,000. At the public hearing, the DDOT representative testified that the cost of the design and installation of a traffic signal is closer to \$120,000.

Since the public hearing, the Applicant has confirmed with DDOT that the cost of the design and installation of a traffic signal is approximately \$300,000 - \$350,000. Given this project’s contribution to the amount of future traffic in the area, and the amount of traffic that will be generated in the future by the development of St. Elizabeth’s campus, the Applicant is willing to contribute \$75,000 (approximately 21.5% - 25% of the estimated cost) to the design and installation of the traffic signal, with such contribution due prior to the issuance of the certificate of occupancy for the first building on the property. The Applicant is aware that DDOT does not currently have a system in place to accept partial payments for the cost of such

improvements. However, since the actual occupancy of the first building of the project will occur a number of years in the future, the Applicant believes that it would be appropriate for DDOT to create such a system in the near future as it could be used in this case as well as other cases.

Additional Information Regarding the Applicant

The Applicant believes that it will be helpful to the Zoning Commission's ultimate deliberations on this application to have more information on the two organizations, City Partners and Sanford Capital, which make up the Applicant.

CITYPARTNERS

CITYPARTNERS is a development group focused on creating partnerships for the acquisition, design, and development of commercial, residential, and mixed-use real estate. Headquartered in Washington, DC, CityPartners specializes in the redevelopment of urban areas and is dedicated to creating strong alliances that enhance the success of each unique project. At the core of CityPartners' mission is its personal and professional dedication to strengthening communities throughout urban areas.

CityPartners engages in a full range of real estate development, from site selection and entitlement through construction management and ownership. CityPartners brings knowledge and vision to each endeavor that is based in a fundamental understanding of design elements, market realities and connection to the Washington DC urban environment. From the conceptualization of a project, through entitlement to development, construction and sale or ownership, CityPartners brings creative solutions that result in superior development projects.

Since 2005 CityPartners has engaged and partnered in the development and design of over 1.8 million square feet of mixed use projects. Currently, CityPartners is directly involved in a development pipeline of over 1 million square feet of dynamic urban mix-use projects that will deliver starting in 2015 through 2018. CityPartners brings an unequalled expertise in urban development that has created the vision for some of the largest and most influential projects in Washington DC.

Sanford Capital

Founded in 2005, Sanford Capital is dedicated to providing safe and affordable housing in Washington, DC. Sanford Capital partnerships currently own over 1400 residential rental units in 24 properties throughout the City. Sanford regularly works with many local agencies and not for profit organizations to house many of the City's neediest residents. Through connections with DCHA, The Community Partnership for the Prevention of Homelessness (TCP), Catholic Charities, Pathways to Housing, Families First, The Salvation Army, HUD's Veteran's Affairs Supportive Housing (VASH) and numerous other organizations, Sanford has provided affordable

housing to thousands of DC residents over the last ten years. The principals of Sanford live locally and are committed to investing in and rebuilding the local community

Square 5914, LLC

City Partners is the Managing Member of Square 5914, LLC and will be responsible for the day-to-day management of the development and construction of the project. Once the office and residential buildings are constructed and in operation, Square 5914, LLC expects to hire a third party to manage the residential and office buildings.

Exhibits

The following exhibits are attached to this post-hearing submission:

Exhibit A – Outline of correspondence between the Residential Property Owner’s representatives and the Coalition’s counsel

Exhibit B - Property Owner’s response to questions from Coalition President

Exhibit C- Sample maintenance call logs

Exhibit D – Plans depicting the architectural modifications to the project

Exhibit E – Letter in support from WMATA

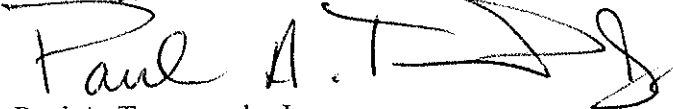
Exhibit F – Community Benefits Agreement signed by Applicant and ANC 8E

Conclusion

The Applicant believes that the information provided in this post-hearing submission responds to the Zoning Commission’s request for additional information. We look forward to the Zoning Commission taking Proposed Action on this case at the March 30, 2015 public meeting.

After the Zoning Commission takes Proposed Action on this case, the Applicant requests the ability to file one final set of complete plans of the approved project. Having the ability to reference one set of approved plans has been shown to make the building permit approval process much simpler and efficient for all parties.

Sincerely,


Paul A. Tummonds, Jr.

CERTIFICATE OF SERVICE

I hereby certify that I sent a copy of the foregoing document to the following addresses on March 16, 2015 by Hand Delivery and First Class Mail:

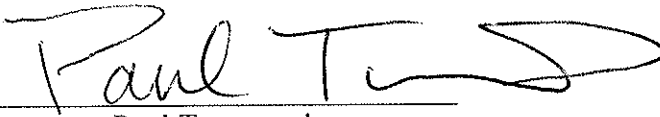
Maxine Brown-Roberts
Office of Planning
1100 4th Street, SW
Suite E650
Washington, DC 20024
(By Hand Delivery)

Alabama Avenue/13th Street Tenants Coalition
c/o William R. Merrifield Jr.
Washington Legal Clinic for the Homeless
1200 U Street, NW
Third Floor
Washington, DC 20009
(By Hand Delivery)

ANC 8E
c/o Chairperson Anthony Muhammad
P.O. Box 73878
Washington, DC 20056
(By First Class Mail)

Shekita McBroom
ANC 8E04
1329 Savannah Street, SE #7
Washington, DC 20032
(By First Class Mail)

ANC 8C
3125 Martin Luther King Jr. Avenue SE
Washington, DC 20032
(By First Class Mail)



Paul Tummonds