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July 20, 2015

### VIA ELECTRONIC SUBMISSION

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

> Re: Zoning Commission Case No. 14-18 – First Stage PUD and Zoning Map Amendment Application- Applicant's Satisfaction of Section 2403.20

Dear Chairman Hood and Members of the Zoning Commission:

Mid-City Financial Corporation (the "**Applicant**") hereby addresses the comments received from the Office of the Attorney General regarding the proffers and conditions that were filed with the Zoning Commission on July 6, 2015. The chart below includes a final list of the public benefits and proposed conditions provided as a result of this project. In accordance with Section 2403.20, the chart notes if changes were made to the proposed benefit and condition in response to OAG comments, or if no change was made.

### **PUD Public Benefits and Conditions**

Proffer	<b>Proposed Condition</b>
Affordable Housing <sup>1</sup> - The Applicant noted	B.1. Affordable Housing
that it remains committed to retaining the	B.1.a. Multi-Family Buildings
Section 8 contract on the property, so the	The Applicant will retain the Section 8 contract
existing 373 units (with deep affordability) at	for 373 units on the Subject Property in
Brookland Manor will remain in the new	perpetuity. The PUD project shall provide for
Brentwood Village. The Applicant stated that	22% (373 of the total 1,646 multi-family units)
it will provide for 22% (373 of the total 1,646	of the new rental accommodations to be
multi-family units) of the new rental	reserved as affordable units with AMI levels
accommodations to be reserved as affordable	that are significantly below 50% of AMI. Each
units with AMI levels that are significantly	of the multi-family buildings will have at least
below 50% of AMI.	10% of the units reserved as affordable

<sup>&</sup>lt;sup>1</sup> A chart detailing the Applicant's affordable housing commitment is attached as Exhibit A.

An additional 11 for-sale townhouses or twoover-two units will be reserved as affordable units that will satisfy the Inclusionary Zoning standards. At the end of the build-out of the new Brentwood Village community, the affordable units will be approximately 22% of the total number of units. housing.

The Applicant shall submit with each Second-Stage application that includes multi-family housing buildings, the following information with regard to the affordable housing units: (a) the number of units, (b) the size of units in terms of square footage, (c) the rate/cost of the units, (d) the location of the units; and (e) whether the Applicant will be submitting an IZ covenant or an alternative affordable housing covenant for these units.

Prior to the issuance of a building permit for any of the multi-family buildings, the Zoning Administrator shall confirm compliance with the information provided above.

<u>B.1.b.</u> Townhouses and Two-Over-Two Units An additional 11 for-sale townhouses or twoover-two units will be reserved as affordable units that will satisfy the Inclusionary Zoning standards.

The Applicant shall submit with each Second-Stage application that includes townhouses or two-over-two units, the following information with regard to the affordable housing units: (a) the number of affordable units, (b) the size of units in terms of square footage, (c) the rate/cost of the units in terms of % of AMI, (d)the length of time that they will be reserved as affordable housing units, and (e) whether the Applicant will be submitting an IZ covenant or an alternative affordable housing covenant for these units.

Prior to the issuance of a building permit for any of the buildings which include two-over-two units or townhouses, the Zoning Administrator shall confirm compliance with the information provided above.

In support of the Applicant's affordable housing commitment across the site, the senior

<u>B.1.c.</u> <u>Block 4 - Senior Citizen Building and</u>
The senior citizen building proposed for Block

citizen building will be 100% assisted, each multi-family building will have at least 10% of the units reserved as affordable housing, and 10% of the for-sale residential units (townhouses or two-over-two units) will be reserved as affordable dwellings.

In the unlikely event that the Section 8 program is abolished, the Applicant's affordable housing commitment will be:

- 329 multifamily units (20%) are to be set aside at 60% of AMI (provided the change in underwriting standards is approved, some form of property tax relief is granted for those units, and DC Housing Trust Funds are provided); and
- 11 (10%) of 114 for-sale units are reserved for families making the minimum income levels prescribed in the Inclusionary Zoning program.

In response to questions from the Office of the Attorney General regarding what would happen if: (i) the change in underwriting standards is not approved, (ii) some form of property tax relief is not granted for these units, or (iii) DC Housing Trust Funds are not provided, the Applicant will reserve 20% of the multi-family units for persons making the minimum income levels prescribed in the

4 will be 100% assisted. The Applicant shall submit with the Second-Stage application that includes the development of Block 4, the following information with regard to the affordable housing units: (a) the number of units, (b) the size of units in terms of square footage, (c) the rate/cost of the units, (d) the length of time that they will be reserved as affordable housing units; and (e) whether the Applicant will be submitting an IZ covenant or an alternative affordable housing covenant for these units.

<u>Prior to the issuance of a building permit for</u> <u>any of the buildings in Block 4</u>, the Zoning Administrator shall confirm compliance with the information provided above.

In the event that the Section 8 program is abolished by the Federal Government, which will require the Applicant to notify the Zoning Commission and the Office of the Zoning Administrator, the Applicant's affordable housing commitment will be:

- 20% of the multifamily units are to be set aside at 60% of AMI (Provided the change in underwriting standards is approved, some form of property tax relief is granted for those units, and DC Housing Trust Funds are provided. In the event that any of these events do not occur, the Applicant will reserve 20% of the multi-family units for persons making the minimum income levels prescribed in the Inclusionary Zoning program); and
- 11 (10%) of 114 for-sale units are reserved for families making the minimum income levels prescribed in the Inclusionary Zoning program.

*In the event that the Section 8 program is* 

Inclusionary Zoning Regulations.

abolished by the Federal Government, the Applicant shall submit with each second-stage application that includes multi-family housing buildings, the following information with regard to the affordable housing units: (a) the number of units, (b) the size of units in terms of square footage, (c) the rate/cost of the units, (d) the location of the units; and (e) whether the Applicant will be submitting an IZ covenant or an alternative affordable housing covenant for these units.

Prior to the issuance of a building permit for any of the multi-family buildings, the Zoning Administrator shall confirm compliance with the information provided above.

In the event that the Section 8 program is abolished by the Federal Government, the Applicant shall submit with each second-stage application that includes townhouses or two-over-two units, the following information with regard to the affordable housing units: (a) the number of affordable units, (b) the size of units in terms of square footage, (c) the rate/cost of the units in terms of % of AMI, and (d) whether the Applicant will be submitting an IZ covenant or an alternative affordable housing covenant for these units.

Prior to the issuance of a building permit for any of the buildings which include two-over-two units or townhouses, the Zoning Administrator shall confirm compliance with the information provided above.

# [LANGUAGE IN ITALICS HAS BEEN PROVIDED IN RESPONSE TO OAG COMMENTS]

# <u>Tenant Relocation Plan and Construction</u> <u>Phasing Plan</u> –

The Applicant's tenant relocation and construction phasing plan, consists of the

B.2. The Applicant shall be required to abide by the terms of the tenant relocation and construction phasing plan as detailed at Exhibit 104B of the record in this case. *The Applicant* 

following priorities:

Minimize construction impacts to the residents to ensure that a safe environment exists;

Manage the onsite relocation of residents to minimize the impact on educational, social, emotional, and employment needs of individuals and families;

Building out the project's infrastructure in the most efficient manner possible; and

Phasing the improvements in a way that maximizes the project's ultimate success, including the creation of 373 new affordable apartments in a revitalized community.

The Applicant noted that as construction progresses, most existing households will be relocated on site once prior to moving into a new building. A few families may have to be relocated twice as dictated by available accommodations and construction scheduling. Applicant's current plans do The off-site relocations during contemplate The Applicant acknowledged construction. that it is responsible for the payment of costs or expenses associated with the relocation of tenants on-site or off-site.

The Applicant additionally committed to allow all households that reside at Brookland Manor at the commencement of the redevelopment in early 2018 with the right to return to the new Brentwood Village community. The Applicant expects that there will be 424 occupied units at the time that the redevelopment commences in 2018. The expected turnover of 60 units, from 484 occupied units (as of 6/2/15) to 424 (as of 1/1/18), will come from normal turnover, and is based on historic results (78 units turned over in 2012, 79 in 2013, and 47 in 2014).

The Applicant's proposed Construction Phasing Plan will consist of three phases, described as follows:

Phase 1 – Development of Block 7 - Phase 1

with each Second-Stage shall submit application a progress report regarding the status of the tenant relocation process and construction phasing plan detailed at Exhibit 104B. Failure of the Applicant to abide by the terms of the tenant relocation and construction phasing plan may be grounds for the denial of any pending application for a building permit or certificate of occupancy and shall be grounds for the revocation of any building **ILANGUAGE IN ITALICS HAS** BEEN PROVIDED IN RESPONSE TO OAG COMMENTS

will include the development of up to a 200 unit senior citizen (limited to residents aged 62+) building and twenty-eight for-sale units in Block 7. There will also be a smaller 86 unit market rate building that will assist with tenant relocations. The senior citizen building in Phase 1 will consist of approximately 185 1BR apartments and fifteen 2BR apartments. The twenty-eight for-sale units in Phase 1 will be either "two over two" or townhouse units.

The Block 7 multifamily buildings are scheduled for completion in 2019, and at that point approximately 286 apartments will be available as a relocation source (compared with the 64 units that currently occupy Block 7's three buildings). The ultimate size of the senior building will be determined based upon a survey of the 62+ age resident population to assess their needs and preferences. The expectation is that the building will be sized somewhere in the 150-200 unit range and will be occupied principally by existing residents with most having Section 8 assistance.

Phase 2A – Development of Blocks 2 & 3 -Completion of the Block 7 buildings will vacate 209+ units in the existing buildings. The existing buildings which are located on what will become Blocks 2 and 3 in a total of 142 units of which a smaller number will be occupied at the start of construction in 2019 (as many of the residents aged 62+ currently reside in buildings which are located on Blocks 2 and 3 and will have since been relocated to the new senior citizen building). This phase will including 569 apartments, contain affordable units. At completion of this Phase 2A, 280 of the 373 affordable units will have been replaced with new units.

**Phase 2B – Development of Blocks 5, 6 and 8 -** The existing Brookland Manor buildings located on future Blocks 5, 6, and 8 contain

apartments. Phase 2B will contain 262 apartments and 72 townhouses. As many as 66 of the 262 units will be reserved as affordable units when these buildings are constructed as this will need to be an affordable relocation source of housing until the Phase 3 buildings are delivered. At the completion of this phase, 346 of the 373 affordable units will have been replaced with new units.

## Phase 3 – Development of Blocks 1 and 4 -

This final phase will contain a total of 543 units, 529 apartments and fourteen townhouses. Of the final 543 units, 27 affordable units will be completed, bringing the total number of affordable units to 373.

### Public Benefits -

The Applicant agreed to abide by a construction management agreement in order to mitigate any potential adverse impacts on the existing Brookland Manor residents and the surrounding community due to construction activity.

The Applicant made a commitment to include a grocery store in the future development of the project.

The management of Brookland Manor currently provides its residents with a number of programs that are designed for the children and seniors that live in the community. The existing programs for children include a variety of enrichment activities, such as after school care, tutoring, arts and crafts, community gardening, summer camp, and meal programs

B.3. The Applicant shall abide by the terms of the construction management agreement as detailed at Exhibit 23E of the record in this case. [NO CHANGE]

B.4. The development of either Block 2 or Block 3 will include a grocery store. The Applicant shall not be able to obtain a certificate of occupancy for buildings on either Block 2 or Block 3 until it provides sufficient evidence to the Zoning Administrator that space has been reserved in either Block 2 or Block 3 for a grocery store. [LANGUAGE IN ITALICS HAS BEEN PROVIDED IN RESPONSE TO OAG COMMENTS]

B.5. The management of Brookland Manor currently provides its residents with a number of programs that are designed for the children and seniors that live in the community. The existing programs for children include a variety of enrichment activities, such as after school care, tutoring, arts and crafts, community gardening, summer camp, and meal programs

to ensure that no child goes home hungry. The seniors programs include periodic brown-bag lunches and other events designed to bring Brookland Manor's senior community together. The Applicant has stated that these programs will be retained and enhanced in the new Brentwood Village community.

The Applicant has also agreed to pay for: sidewalk reconstruction along Rhode Island Avenue, NE at five locations between the Subject Property and the Rhode Island Avenue Metro Station; the re-striping of the pedestrian crosswalks at eight intersections along Rhode Island Avenue, NE; and the reconstruction of an ADA accessible ramp at the intersection on Rhode Island Avenue, NE and Bladensburg Road, NE. The cost of these improvements is approximately \$35,000.

to ensure that no child goes home hungry. The seniors programs include periodic brown-bag lunches and other events designed to bring Brookland Manor's senior community together.

The Applicant shall submit with each Second-Stage application a detailed description of the programs for children and seniors that will be provided in that project. Failure of the Applicant to provide such information may be grounds for the denial of a second-stage PUD application.

# [LANGUAGE IN ITALICS HAS BEEN PROVIDED IN RESPONSE TO OAG COMMENTS]

B.6. The Applicant shall pay for sidewalk repaving at the following locations along the eastbound sidewalk of Rhode Island Avenue, NE:

- Two locations between Washington Place, NE and 10<sup>th</sup> Street, NE;
- One location between Bryant Street, NE and 12<sup>th</sup> Street, NE; and
- Two locations between Brentwood Road, NE and Montana Avenue, NE.
- B.7. The Applicant shall pay for the restriping of the crosswalks located at the intersections of Rhode Island Avenue, NE and the following streets: 10<sup>th</sup> Street, NE; Bryant Street, NE; 12<sup>th</sup> Street, NE; Saratoga Avenue, NE; Douglas Street, NE; Brentwood Road, NE; 14<sup>th</sup> Street, NE; and Montana Avenue, NE.
- B.8. The Applicant shall pay for the ADA ramp reconstruction at the intersection of

Rhode Island Avenue, NE and Bladensburg Road, NE.

B.9. The cost of the improvements noted in B.6 – B.8 will be \$35,000. Prior to the issuance of a Certificate of Occupancy for the buildings approved in the Second-Stage PUD application that includes buildings with frontage on Rhode Island Avenue, NE, the Applicant will provide evidence that these improvements in public space have been made. [LANGUAGE IN ITALICS HAS BEEN PROVIDED IN RESPONSE TO OAG COMMENTS]

# Effective and Safe Vehicular and Pedestrian Access –

The Applicant agreed to abide by a series of Transportation Mitigation measures, which would be accomplished prior to the issuance of certificates of occupancy at varying stages of development of the project.

C.1. The Applicant will abide by the following Transportation Mitigation measures.

- Prior to the issuance of a Certificate
  of Occupancy for the buildings
  constructed in Phase 2B, the
  Applicant shall install a traffic signal at
  the intersection of Saratoga Avenue and
  Montana Avenue (to be completed).
- Prior to the issuance of a Certificate of Occupancy for the buildings constructed in Phase 2B, the Applicant shall incorporate 15<sup>th</sup> Street extended as the fourth leg of the intersection of Rhode Island Avenue with Brentwood Road. During the second stage PUD application for Phases 2A and 2B, the Applicant will work with DDOT and WMATA to relocate the bus stop, determine the need for separate right and left turn lanes on 15<sup>th</sup> Street extended, and determine if a left turn lane from Rhode Island Avenue onto 15<sup>th</sup> Street extended is necessary. [NO CHANGE]
- Prior to the issuance of a Certificate of Occupancy for the buildings

	constructed in Phase 2B, the Applicant shall install lane marking and striping changes at two intersections: Rhode Island Avenue and Montana Avenue, and 18 <sup>th</sup> Street and Montana Avenue. [NO CHANGE]
	• Prior to the issuance of a Certificate of Occupancy for the buildings constructed in Phase 2B, the Applicant shall install lane markings, striping, and signing improvements as needed to establish an official bike route between 12 <sup>th</sup> Street and 18 <sup>th</sup> Street through the site. [NO CHANGE]
	• The Applicant shall coordinate with DDOT during all second stage PUD applications on the following issues:
	<ul> <li>Amount and size of loading facilities;</li> <li>Maneuvering analyses of trucks to and from loading facilities;</li> <li>Amount of off-street parking (this may require an inventory and occupancy count of on-street facilities to help determine the appropriate amount of parking and potential spillover impacts);</li> <li>Layout of internal streets, including curbside management;</li> <li>Transportation Demand Management plans for each building;</li> <li>Amount of secure off-street bicycle parking in each building;</li> <li>Locations and amount of on-street bicycle racks; and</li> <li>Locations for Capital Bikeshare stations. [NO CHANGE]</li> </ul>
Employment Opportunities – The Applicant	B.10. The applicants in all second stage PUD applications will enter into a First Source
agreed that all second stage PUD applications related to the project will include as a condition	Employment Agreement with the Department

of approval the requirement that the Applicant in that case will enter into a First Source Employment Agreement with the Department of Employment Services (DOES).	of Employment Services (DOES). [NO CHANGE]
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Please feel free to contact the undersigned if you have any questions or comments regarding the information presented in this letter.

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 July 20, 2015 by e-mail and First Class Mail:

Maxine Brown-Roberts
Office of Planning
1100 4<sup>th</sup> Street, SW
Suite E650
Washington, DC 20024
(By E-Mail)

Regina James, ANC 5C05 1363 Adams Street, NE Washington, DC 20018 (By First Class Mail)

Monique Smith, ANC 5C06 1714 Montana Avenue, NE Washington, DC 20018 (By First Class Mail)

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ANC 5B 1920 Irving Street, NE Washington, DC 20018 (By First Class Mail)

Brookland Manor Residents Association c/o William R. Merrifield Jr. Washington Legal Clinic for the Homeless 1200 U Street, NW Third Floor Washington, DC 20009 (By Hand Delivery)

AND

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

Paul Tummonds