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March 26, 2018

VIA IZIS

Anthony Hood, Chairman
District of Columbia Zoning Commission
441 4th Street, NW
Suite 200-S
Washington, DC 20001

Re: **Z.C. Case No. 16-29 – Final Action: Response to Commissioners’ Comments**

Dear Chairman Hood and Members of the Commission:

On March 12, 2018, the Zoning Commission reviewed the final proffers and conditions from the Applicant and correspondence from ANCs 8A and 8C in Zoning Commission Case 16-29. The Commission requested additional information and clarification on the proffers, specifically related to retail and affordable housing. The Commission also gave the Applicant and the ANC time to address the monetary support for local organizations as part of the project. Set forth below are the Applicant’s responses to and updates on the comments of the Commission.

I. Evolution of Proffers

The Applicant has worked with the Office of Planning (“**OP**”) and the Advisory Neighborhood Commission (“**ANC**”), as well as listened to comments from the Commission and other district agencies, including the District Department of Transportation (“**DDOT**”) and the Department of Energy and the Environment (“**DOEE**”) to finalize its benefits and amenities for the project. The final benefits and amenities submitted in Exhibit 60A are the result of those conversations and the balancing of the various interests from around the District.

The Applicant was set down with a benefits and amenities package focused on improvements to the Anacostia Metrorail Station, with additional benefits including 10% of the residential square footage devoted to affordable units, with half of those at 80% AMI. These

benefits and amenities have evolved since set down. At the public hearing, the Applicant heard additional requests for amenities focused on environmental sustainability. The Applicant has balanced the respective interests from the community and District agencies and increased its proffers in response to those comments.

The Applicant is not only committed to the WMATA station improvements, achieving LEED Gold, and providing significant housing and affordable housing, as addressed in its initial filing, but has now expanded its benefits and amenities based upon the reports of OP and DOEE, as well as comments at the hearing from Commissioners. In response to comments from OP, the Applicant is proposing retail space in every building, so Howard Road will be lined with street-activating spaces across the entire project. Environmentally, the Applicant is committed to providing significant open space, solar panels on each building, and a stormwater management plan designed to meet a 1.7" storm event, as requested by DOEE and Commissioners. The Applicant has also committed, based on feedback from the community and the support of OP, to address historic and archaeological preservation on the site. The Applicant has also proffered a significant jobs program to increase capacity in the Ward. These proffers represent a significant increase in benefits and amenities of the project from its initial inception.

In balance with these significant benefits, the Applicant is also committed to providing a significant amount of affordable housing. The Applicant will provide 10% of the residential square footage of the project as affordable. The Applicant has made the proffered units more affordable than initially proposed, committing to units at 60% or 50% MFI, with a large number of 3-bedroom affordable units. The project will provide approximately 19,007 gross square feet of affordable housing at 50% MFI (representing 25% of the affordable square footage as well as 8% of the residential penthouse square footage), and all of these low-income affordable units will be 3-bedroom units. An additional 17,290 gross square feet of affordable housing will be reserved for 3-bedroom units offered at 60% MFI (representing 25% of the affordable square footage). Therefore, the Applicant will be providing approximately 26 3-bedroom units, roughly half of which will be affordable at 50% MFI. Finally, an additional 34,580 gross square feet of affordable housing will be provided at 60% MFI in unit sizes proportional to the market rate unit sizes at the project.

The proposed benefits and amenities are highly commensurate with the requested flexibility of the project and will serve the community well. The Applicant believes that the benefits and amenities of the project balance the interests of the District for housing, affordable housing, retail, jobs, environmental sustainability, preservation, and transportation.

II. Additions to the Jobs Program

The Applicant greatly appreciated the Commissioners' comments on the Jobs Program proffered as part of the project. In response, the Applicant proposes to increase its commitment to jobs in Ward 8 by doubling the internships offered in connection with the project. Therefore, the Applicant will hire two Ward 8 high school interns, two Ward 8 college interns, and two Ward 8 residents for the internships in construction and property management as noted in Exhibit 60A. The Applicant is dedicated to increasing capacity in the Ward and feels this increase to the Jobs Program will help achieve this goal.

III. Conclusion

Based on the foregoing benefits and amenities, including the increased Jobs Program, the Applicant believes the proffers are commensurate with the flexibility requested by the project. The Applicant does not believe monetary funds requested by the ANC (updated below) are necessary for the Commission to approve the project in Final Action. Therefore, the Applicant requests the Commission take final action on the project on April 9, 2018.

ANC Updates

The Applicant has continued working with ANC 8A and 8C diligently to address their request for funds for three community-serving organizations. Since the March 12th Zoning Commission meeting, the Applicant has spoken numerous times with Greta Fuller, SMD for ANC 8A, who has spearheaded both ANCs communications regarding this matter. The Applicant has reiterated that the financial contribution to the three community groups need to include tangible uses and amounts as specified in 11-X DCMR §305.3(d) of the Zoning Regulations. Since the March 12th meeting, the Applicant understands that the ANC has been in diligent conversation with the three community groups to identify specific community benefits that the Applicant could contribute to. However, as of the time of this filing, no specific programs have as yet been identified with such a long lead-time prior to funding. However, the Applicant will continue working with the ANC regarding such funding as part of the Second Stage PUD.

As stated above, the Applicant believes even without a monetary contribution to the ANC the proposed benefits and amenities of the project are commensurate with the degree of flexibility requested and asks that the Commission take final action on the first stage PUD on April 9th so that the Applicant can work to finalize and file second stage plans as early as possible to address pending federal agency and international company office solicitations.

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Sincerely,

A handwritten signature in blue ink, appearing to read "John Epting".

John Epting

A handwritten signature in blue ink, appearing to read "Meghan Hottel-Cox".

Meghan Hottel-Cox

Certificate of Service

The undersigned hereby certifies that copies of the foregoing document were sent by hand-delivery or first-class mail to the following addresses on March 26, 2018.

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Meghan Hottel-Cox