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AGREEMENT

Regarding Randall Junior High School
65 I Street, SW
Washington, DC 20024

This agreement was signed on July ____ and ____, 2010, in Washington, DC, between TR SW LLC ("TR SW"), and Advisory Neighborhood Commission ("ANC") 6D. This agreement concerns the introduction of legislation in the Washington, DC Council ("Council") to revise the Declaration of Covenants ("Covenant") entered into November 28, 2006, and supplemented August 21, 2008 ("First Supplement"), between the District of Columbia ("the District") and the Trustees of the Corcoran Gallery of Art ("Corcoran"). That proposed Covenant revision concerns TR SW's plan to purchase, from the Corcoran, the former Randall Junior High School, 65 I St., SW, in Washington, DC, Lot 801 in Square 643-S ("Randall," "the Randall project," or "the project"). This property was the subject of District of Columbia Zoning Commission Order 07-13A.

I. SUPPORT FOR COVENANT REVISIONS.

After execution of this agreement, ANC 6D will provide written support to the mayor, through the Office of the Deputy Mayor for Planning and Economic Development; advocacy with the mayor and the Office of Planning; presentations to the Office of the Mayor or any subdivision thereof specified by TR SW; and supporting testimony before any hearings at the DC Council, for the following three revisions in the Covenant. TR SW and ANC 6D expect that this agreement will provide the basis for ANC 6D support for the project going forward.

A. Uses of Property.

This revision deletes the Covenant's requirement to provide a school of fine arts and replaces it with a requirement to provide an art museum ("the Museum") taking up a minimum of 25,000 square feet, and permits hotel, retail, commercial, and residential uses.

B. Construction Deadlines.

This revision deletes the Covenant's requirement that the Randall project be completed by November 1, 2018 and replaces it with the requirement that groundbreaking on the Museum must occur by January 1, 2018. A related revision removes the provision that the District have the option to reacquire the property with

improvements if the project is not completed by November 1, 2018, and replaces it with a District option to reacquire the property if groundbreaking on the Museum has not occurred by January 1, 2018.

These are the three changes in the Covenant (one regarding use, two regarding construction deadlines) that ANC 6D pledges to support under this agreement. However, this pledge depends on retaining, from the original Covenant and without change, both a 20% minimum affordable housing provision ("Affordable Housing") and provisions regarding local small disadvantaged business enterprises and first source ("LSDBE"). Change, from the original Covenant, in either the Affordable Housing or LSDBE provisions will relieve ANC 6D of any obligation to support changes in the Covenant.

II. COMMUNITY BENEFITS.

As consideration for the aforementioned ANC 6D support for the three specified changes in the Covenant, subject to the limitations of Federal and District of Columbia law, and conditioned on (1) nontermination, up until TR SW's acquisition of title to Randall, of the February 22, 2010, Randall purchase and sale agreement between TR SW and the Corcoran, and on (2) the DC Council's making the three changes in the Covenant specified above, and subsequent recording of those changes, TR SW promises the following.

A. Employment.

1. Construction. In building the Randall project, TR SW (or its designee) and its general contractor will develop a program for its subcontractors that includes the following--

a. Recruitment of construction workers from ANC 6D by purchasing quarterly ads in the Southwester, between two months prior to breaking ground and issuance of the base building Phase I certificate of occupancy; and between two months prior to breaking ground for subsequent phases and issuance of the base building certificate of occupancy for those phases.

b. An overall 5% "first-source" employment goal for qualified ANC 6D residents; and--

c. Tie-breaking preferences, as to--

1) LSDBE companies, for companies headquartered in ANC 6D, and--

2) Construction workers, for qualified workers living in ANC 6D.

2. After construction. As to services needed after each phase of the Randall project is finished, TR SW (or its designee), its contractors and subcontractors will continue to have both a tie-breaking preference for qualified ANC 6D companies and residents, and a 5% ANC 6D "first-source" resident employment goal. TR SW (or its designee) will include these commitments in any contract to sell any portion of the project.

3. Pre-apprenticeship training program.

TR SW and ANC 6D together will create and seek funding for an eight-week pre-apprenticeship training program at the project for ANC 6D residents who pass a test for illegal drugs and have at least 6th-grade skills in reading, language, and mathematics. Once third-party funding is obtained, the program will include training in life skills, continuing basic education, conflict resolution, construction layout, and specific trade-job skills; employment with on-the-job training; and a goal of placing each participant, at the program's completion, in a job providing at least 42 consecutive weeks of employment.

4. Report. In the annual report required under section III.A. of this agreement, TR SW will include the identities of the companies headquartered in ANC 6D, and the total number of workers living in ANC 6D, contracted or hired to provide services at Randall during that year.

B. Structure, Appearance, Access.

1. Park landscaping. TR SW (or its designee) will make a good-faith effort to obtain the right to landscape, as a park, the area (hereinafter called "the I Street Park") from the Randall School to the Randall Recreation Center, encompassing the area between I St. and the Randall Recreation Center swimming pool locker building, and between the former Half St., SW, right of way and the Randall Recreation Center parking lot. By three years after issuance of the first building permit for above-grade construction of the Randall project, TR SW (or its designee) will complete designing, permitting, and landscaping the I Street Park area as a park. Alternatively, if it cannot obtain the needed permits to landscape the I Street Park, TR SW (or its designee),

by three years after issuance of the first building permit for above-grade construction of the Randall project, will contribute \$50,000 either, at its discretion, to upgrading of Lansburgh Park, being that park just east of Delaware Avenue, between I Street and M Street, SW; or to landscaping and gardening at Greenleaf Gardens Extension Residential Development.

2. Easement. Within 6 months after the Zoning Commission's approval of either a modified Planned Unit Development (PUD) or a new PUD for this property, and so that the public will continue to have free access to the Randall recreational facilities, TR SW will offer to convey to the District, at no cost to the District, or will cause the owner of the southern portion of H Street (closed)--that being the privately owned southern part of H Street between First Street and Half Street, SW--to offer to convey to the District, at no cost to the District, a perpetual nonexclusive public easement on that privately owned southern part of H Street between First Street and Half Street, SW.

3. Loading dock. Neither TR SW nor any of its contractors or subcontractors will build or submit plans, to the Zoning Commission, calling for building a loading dock on H Street that would accommodate vehicles over 40 feet in length. Except for a maximum of 15 times during construction of the project, neither TR SW nor any of its contractors or subcontractors will permit vehicles over 40 feet in length to unload on H Street.

4. Meeting space.

Beginning with the day the first part of the Randall project opens to the public, and for ten years thereafter, TR SW will provide space in Southwest Washington, DC--at no charge--for one neighborhood town meeting per calendar month; and for one small-room meeting per calendar month. At its discretion, TR SW may provide this space at the Randall project itself or elsewhere in Southwest Washington. In the annual report required under section III.A. of this agreement, TR SW will include, for the previous calendar year, the locations, dates, and topics (or community institutions) for which TR SW provided space for community meetings.

C. Affordable-Housing Preference for ANC 6D Residents.

In pre-qualifying applicants for the project's "affordable housing" units, TR SW will treat ANC 6D residents equally with

other applicants. If, at initial occupancy, more qualified applicants apply for the "affordable housing" units than the number of units in that category, TR SW (or its designee) will award these housing units on a lottery basis to qualified renters or buyers. In that lottery, and subject to the limitations of Federal and District of Columbia law, residents of ANC 6D as of this agreement's execution date will receive six tickets, other residents of DC as of the lottery date will receive two tickets, and all other applicants will receive one ticket. This lottery preference for ANC 6D residents will apply whether the residential units are sold as condominium units or rented as rental apartments. TR SW (or its designee) will include this lottery preference in its required Affordable Housing Covenant. If, before initial occupancy, TR SW enters into any contract to sell the residential portion of the project, TR SW will include this lottery preference in that contract.

D. Art in the Neighborhood.

1. Art exhibits. Beginning with the year the hotel portion of the Randall project opens for business, TR SW will, at least once per year, organize an annual exhibit of artwork by residents of ANC 6D, including at least one public-school student. At TR SW's discretion, that exhibit may take place in or on any property in Southwest owned by TR SW, Telesis Corporation, or CACB Holdings.

2. Art projects. Beginning with the year the hotel portion of the Randall project opens for business, TR SW will, at least once per year, designate an ANC 6D neighborhood visual arts project for that year (ANVAP), and provide the resources needed to make that project a reality. In selecting any year's ANVAP, TR SW will seek input from ANC 6D, from the Southwest Neighborhood Assembly, and from artists who live or work in ANC 6D. However, TR SW alone will determine any year's ANVAP. In the annual report required under article section III.A. of this agreement, TR SW will include, for that year, the location and a description (or a photograph, at its discretion) of that year's ANVAP.

3. Art festival. Starting no later than the first year the Museum is open to the public, in each year TR SW will organize, sponsor, and provide resources for an annual public free-admission outdoor Arts Festival in ANC 6D. The Arts Festival will include space for artists who live in ANC 6D. In planning any year's Arts Festival, TR SW will seek input from ANC 6D, from the Southwest Neighborhood Assembly, and from other ANC

6D neighborhood organizations. TR SW may solicit co-sponsorship from Arena Stage, the Graduate School at Southeastern University, and other ANC 6D institutions. However, aside from including space for artists who live in ANC 6D, and aside from free admission to ANC 6D residents, the nature and scope of each year's Arts Festival will be entirely up to TR SW. In particular, TR SW will have discretion to hold the festival anywhere it chooses outdoors in ANC 6D, including entirely on a part of the Randall project grounds to which the community has access. In the annual report required under section III. A. of this agreement, TR SW will include, for the then-current year, the location and dates of that year's Arts Festival, and the names of that year's participating Festival artists.

4. Museum admission. ANC 6D residents (with proper identification) will have free admission to the Museum. In its discretion, TR SW may implement this free-admission policy by issuing membership cards to ANC 6D residents or by accepting another form of residential identification. In the annual report required under section III.A. of this agreement, TR SW will include the number of free visits ANC 6D residents made to the Museum for that year.

5. ANC 6D volunteers. During the year before the Museum opens to the public, TR SW will establish a program of recruiting Museum volunteers from ANC 6D. As part of this program, during their period of volunteering, and if there are paid events at the Museum, ANC 6D volunteers will receive free admission to at least one paid event at the Museum not otherwise sold out. At their discretion, each ANC 6D volunteer may designate another individual to receive one free admission to a paid Museum event. In the annual report required under section III.A. of this agreement, TR SW will include, for that year, the names of its ANC 6D volunteers (if any), and the identities of the events for which, and the names of the designated individuals for whom, the Museum waived the admission fee.

6. Randall School interim beautification. TR SW will maintain beautification of the Randall School exterior by, for example, murals covering the plywood.

7. Delaware Circle sculpture. TR SW will make a good-faith effort to obtain approval, from the DC Department of Transportation, to place a sculpture in the middle of the circle at the intersection of H Street and Delaware Avenue, SW. Once such approval is granted, and no later than the day the Museum opens to the public, TR SW will obtain and place a sculpture in

the middle of the Delaware Avenue circle. At TR SW's discretion, this Delaware Circle sculpture can constitute that year's ANVAP under II.D.2. of this agreement.

8. Randall Neighbor Day at the Corcoran. TR SW guarantees that, one day each year, ANC 6D residents (with proper identification) will have free admission to the Corcoran Gallery of Art on 17th Street, NW. At its discretion, TR SW can either arrange with the Corcoran Gallery of Art to admit ANC 6D residents for free on that day, or itself pay the price of admission for ANC 6D residents on that day.

E. ANC 6D Art Education.

1. General provisions.

a. Southwester advertisements.

Starting with the year before the scheduled opening of the Museum to the public, in each year, TR SW will promote these education benefits by purchasing an ad in the Southwester.

b. Timing.

TR SW commits to ensure these education benefits are awarded annually.

c. Funding.

TR SW guarantees that these education benefits will be offered as provided herein, either directly by the Trustees of the Corcoran Gallery of Art on 17th Street, NW; or by TR SW's itself paying the cost of these benefits, as set forth and limited in 2.a. and 2.b below.

2. Specific education benefits.

a. Educator memberships in the Corcoran Gallery of Art.

Starting in 2011, and to a maximum direct expense to TR SW of \$500 total per year, TR SW guarantees five (5) annual free year-long Individual Memberships in the Corcoran Gallery of Art for DC public-school teachers. The DC Public Schools Art Director shall select each year's DC Public Schools Corcoran Educator Members, except that (1) each year one membership must go to a teacher in an ANC 6D public school, and (2) no DC public-school teacher can

receive an educator membership for more than two (2) consecutive years. In addition to the general benefits of an Individual Membership, TR SW also guarantees educator members the right to one year's free membership in a Corcoran Gallery of Art Special Interest society. The annual report required under section III.A. of this agreement will include the names of that year's five (5) DC public-school teachers given free year-long individual Corcoran memberships, the names of the schools where they teach, and the identities of their chosen Special Interest societies (or evidence that TR SW or the Corcoran Gallery of Art has made the member-teachers aware of the opportunity to enroll for free in a Special Interest society).

b. Camp Creativity.

Starting with the first year the Museum is open to the public, in every year TR SW guarantees that ANC 6D residents will receive at least five (5) annual full scholarships to participate in the program Camp Creativity run by the Corcoran Gallery of Art or by the Corcoran College of Art + Design. If the Corcoran discontinues Camp Creativity this provision will not apply thereafter. The annual report required under section III.A. of this agreement will include the names of that year's five (5) ANC 6D scholarship recipients.

III. REPORTING OBLIGATIONS.

A. Annual Report to ANC 6D.

Beginning with the year TR SW proposes a new or modified PUD to the DC Zoning Commission, in each calendar year TR SW will make an annual report, to ANC 6D and to the DC city councilmember whose ward includes the Randall project, of the benefits covered by this agreement. In TR SW's discretion, this report may be in writing and may include other aspects of the Randall facility.

B. Submission to DC Zoning Commission.

The parties expect that TR SW will eventually apply to the DC Zoning Commission for a modification of the Randall project PUD, or for an entirely new PUD. TR SW will include, in that application, a copy of this agreement, and represent to the Zoning Commission its commitment to adhere to the terms of this agreement. TR SW will work with ANC 6D to prepare a mutually agreeable submission to the Zoning Commission that encourages the Zoning Commission to include, in its order approving TR SW's application, commitments from this agreement, with special

attention given to its commitments to provide ANC 6D with the following, in the:

1. Museum's First Year Open.

a. The annual public free-admission outdoor arts festival described in part II.D.3. of this agreement.

b. The free Museum admission for ANC 6D residents described in part II.D.4. of this agreement.

c. The ANC 6D volunteers program described in part II.D.5. of this agreement, including the free event admission therein described.

2. Hotel's First Year Open.

a. The arts exhibitions described in part II.D.1. of this agreement.

b. The ANVAP described in part II.D.2. of this agreement.

IV. DEFINITIONS.

A. ANC 6D.

In this agreement, the term "ANC 6D" means the Advisory Neighborhood Commission or Commissions that cover the neighborhood, or the geographic neighborhood itself, bounded by the following: on the west, Raoul Wallenberg Place, NW, the 14th Street Bridge, and the Potomac River; on the south, the Anacostia River; on the east, South Capitol St. (north of I-395), 7th St., SE (between I-395 and M St., SE), and 11th St., SE (south of M St., SE); and, on the north, Independence Ave., NW (west of South Capitol St.), I-395 (between South Capitol St. and 7th St., SE), and M St., SE (east of 7th St., SE). We expect the official designation of this Commission to change periodically with decennial reapportionment, and intend this agreement to benefit the residents of the above-defined neighborhood in perpetuity, whatever the designation of the Commissions that cover the neighborhood in which they live.

B. Year.

Unless qualified by the word "academic," in this agreement "year" means calendar year from January 1-December 31.

V. SIGNATURES.

This agreement may be executed in counterparts.

Signed at the indicated cities on the indicated dates:

TR SW LLC

By:

Name: Marilyn Melkonian
At: Washington, DC
For: Cardozo LLC
Title: President
Date: July 7th, 2010 .

Marilyn Melkonian

And:

Name: Mera Rubell
At: Miami, FL.
For: CACB Holdings LLC
Title: Manager
Date: July 6, 2010

Mera Rubell

ANC 6D
At: Washington, DC
By: Commissioner J. Ron McBee
Title: Chair
Date: July _____, 2010

J. Ron McBee

David Sobelsohn, ANC 6D02
Date: July _____, 2010

Roger Moffatt, ANC 6D05
Date: July _____, 2010

TR SW LLC

By:

Name: Marilyn Melkonian
At: Washington, DC
For: Cardozo LLC
Title: President
Date: July 14, 2010

Marilyn Melkonian

And:

Name: Mera Rubell
At: Miami, Fl.
For: CACB Holdings LLC
Title: Manager
Date: July 6, 2010

Mera Rubell

ANC 6D
At: Washington, DC
By: Commissioner J. Ron McBee
Title: Chair
Date: July 12, 2010

J. Ron McBee
J. Ron McBee

David Sobelsohn
David Sobelsohn, ANC 6D02
Date: July 12, 2010

Roger Moffatt
Roger Moffatt, ANC 6D05
Date: July 10, 2010