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February 15, 2016

## VIA IZIS

Zoning Commission of the District of Columbia  
441 4th Street, N.W.  
Suite 210  
Washington, DC 20001

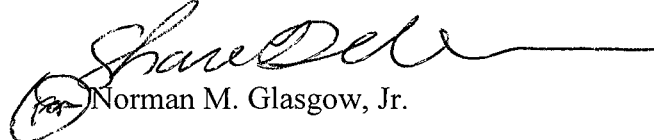
Re: Z.C. Case No. 13-14A - McMillan Reservoir Filtration Site, Parcel 2  
Applicant's Initial Proffers and Conditions

Dear Members of the Commission:

On behalf of JAIR LYNCH Development Partners, the Applicant for the above referenced application, and pursuant to 11 DCMR §§2403.15 – 2403.21, we submit the enclosed list of final proffers and corresponding conditions for the draft PUD order. As shown in the attached, in response to the comments made by the Commission at the February 8, 2016, proposed action, the Applicant is devoting the two additional affordable dwelling units proffered as part of its request for flexibility related to the final programming of the ground floor of the Parcel 2 Building to households earning no more than 50% of the area median income (AMI), rather than the initially proffered 80% AMI.

Sincerely,

HOLLAND & KNIGHT LLP



Norman M. Glasgow, Jr.

Enclosures

cc: Gilles Stucker, DMPED (w/encl., via email)  
Jacob Ritting, Office of the Attorney General (w/encl., via email)  
Jennifer Steingasser, Office of Planning (w/encl., via email)  
Joel Lawson, Office of Planning (w/encl., via email)  
Maxine Brown-Roberts, Office of Planning (w/encl., via email)  
ANC 5E, (w/encl., via email and hand delivery)  
C. Dianne Barnes, ANC 5E09 (w/encl., via email and hand delivery)  
Teri Janine Quinn, Chair, ANC 5E (w/encl., via email and hand delivery)  
Ronnie Edwards, Chair, ANC 5A (w/encl., via email and hand delivery)  
James A. Turner, Chair, ANC 1B (w/encl., via email and hand delivery)

**Applicant’s Proffer of Public Benefits and Amenities**  
**Second-Stage PUD - McMillan Sand Filtration Site, Parcel 2 (Z.C. Case No. 13-14A)**  
**February 15, 2016**

<b>Proffer</b>	<b>Condition</b>
<p><b>PARCEL 2 BUILDING</b></p> <p>The Applicant proposes to develop Parcel 2 with a mixed-use building containing residential and retail uses (the “Parcel 2 Building”). The Parcel 2 Building will consist of approximately 235,513 gross square feet, of which approximately 18,259 – 24,359 gross square feet will be devoted to retail uses, and contain approximately 233 residential dwelling units (plus or minus 5 percent). The Parcel 2 Building will have a maximum density of approximately 4.89 FAR, not including private streets and easements, and a maximum height of 82’-6”, not including penthouses.</p>	<p>The Parcel 2 Building shall be developed in accordance with Option B of the Final Plans (Exhibits 58A1 – 58A5), dated January 14, 2016, with flexibility provided in the final programming of the ground floor to allow additional retail or live-work apartments within the area shown on Sheet 35 of the Final Plans (Exhibit 58A2), as modified by the guidelines, conditions, and standards herein.</p> <p>In accordance with Option B of the Final Plans, the Parcel 2 Building shall consist of approximately 235,513 gross square feet, of which approximately 18,259 – 24,359 gross square feet will be devoted to retail uses, and contain approximately 233 residential dwelling units (plus or minus 5 percent).</p> <p>The Parcel 2 Building will have a maximum density of approximately 4.89 FAR, not including private streets and easements, and a maximum height of 82’-6”, not including penthouses.</p> <p>The Applicant shall have flexibility with the design of the Parcel 2 Building in the following areas:</p> <ol style="list-style-type: none"> <li>a. From the maximum residential lot occupancy requirements, consistent with the Final Plans; and</li> <li>b. From the minimum side yard requirements, consistent with the Final Plans; and</li> <li>c. From the loading requirements, consistent with the Final Plans; and</li> <li>d. To adjust the size and/or number of dwelling units ±5% to accommodate fluctuations in market conditions, including corresponding changes to required parking so long as the number of parking spaces provided for the residential use is not</li> </ol>

Proffer	Condition
	<p>reduced below the minimum required by §2101.1 of the Zoning Regulations; and</p> <ul style="list-style-type: none"> <li>e. To adjust the final programming of the portion of the ground floor identified in the Final Plans as “FLEXIBLE SPACE (APARTMENTS/LIVE-WORK/RETAIL,” in manner that is consistent with what is shown on Sheet 35 of Exhibit 58A2 of the case record; and</li> <li>f. To vary the location and configuration of affordable dwelling units within the Parcel 2 Building, provided the proportion of studio, efficiency, and one-bedroom affordable units to all affordable units does not exceed the proportion of studio, efficiency, and one-bedroom market-rate units to all market rate units, and the affordable dwelling units are not overly concentrated in any one portion of the building; and</li> <li>g. To vary the location and design of all interior components, including partitions, structural slabs, doors, hallways, columns, stairways, atria and mechanical rooms, provided that the variations do not change the exterior configuration of the building; and</li> <li>h. To make refinements to the garage configuration, including layout, parking spaces and other elements, so long as the total number of parking spaces, for both retail and residential uses, is not reduced below what is required by §2101.1 of the Zoning Regulations; and</li> <li>i. To make minor adjustments to the configuration, footprint, and location of the penthouse(s) provided the 1:1 penthouse setback requirements are met; and</li> <li>j. To vary the final selection of the exterior materials within the color ranges and material types as proposed, based on availability at the time of construction, without reducing the quality of the materials; and to make minor refinements to exterior details and dimensions, including curtainwall mullions and spandrels, window frames, glass types, belt courses, sills, bases, cornices, railings and</li> </ul>

Proffer	Condition
	<p>trim, location, orientation, and quantity of the fins, or any other changes to comply with the District of Columbia Building Code, the recommendations of the D.C. Historic Preservation Review Board or the Mayor's Agent for Historic Preservation, or that are otherwise necessary to obtain a final building permit;</p> <p>k. To vary the location, attributes and general design of the streetscape within public space to comply with the requirements of and the approval by the District Department of Transportation Public Space Division; and</p> <p>l. To vary the final design of retail frontages, including locations of doors, design of show windows and size of retail units, to accommodate the needs of specific retail tenants; and</p> <p>m. To design and locate building signage, including all retail signage, in accordance with the sign guidelines approved as part of the Master Plan and the District of Columbia sign regulations in effect at the time of permit.</p>
<p><b>PARKING AND LOADING</b></p> <p>The Parcel 2 Building will provide a minimum of 222 off-street parking spaces located on two levels of below-grade parking accessed from an entrance located on the east side of Three Quarter Street. The building will also provide a minimum of 86 secure bicycle parking spaces within the parking garage.</p> <p>The Parcel 2 Building will contain two loading berths, one on either side of Three Quarter Street. The loading berth located on the west side of Three Quarter Street will be 40-foot deep. The loading berth on the east side of Three Quarter Street will be 30-foot deep, and will also be managed and signed to function as the required 20-foot service delivery space. The loading berths will be shared by the retail and residential uses.</p> <p>By report dated December 7, 2015, and through testimony at the public hearing, DDOT</p>	<p>Subject to the flexibility stated in Condition X-XX, the Parcel 2 Building shall contain a minimum of 222 off-street parking spaces, and a minimum of 86 secure bicycle parking spaces.</p> <p><i>For the life of the project,</i> the Applicant shall implement the TDM program and monitoring plan approved for the Overall PUD Site under Z.C. Order No. 13-14, and the TDM measures specific to the Second-Stage PUD listed in Finding of Fact ## of this order.</p> <p>Consistent with the Final Plans, the Applicant shall provide a 30-foot loading berth and a 40-foot loading berth. The 30-foot loading berth will also serve as the required 20-foot service delivery space.</p> <p><i>For the life of the project,</i> the Applicant shall implement the restrictions and guidelines on</p>

Proffer	Condition
<p>expressed no objection to the Second-Stage PUD, contingent upon the following conditions: (i) strengthen the proposed transportation demand management (TDM) plan to include an electronic display in the Half Street residential lobby to display real-time transit arrival and transportation options information, and offer the first occupant of each unit an annual carsharing membership and an annual Capital Bikeshare membership for a period of three years, and (ii) flip on-street parking on Evarts Street from the south side of the street to the north side to facilitate truck movements (Exhibit 29). The Applicant agreed to these additional conditions.</p> <p>The Applicant will implement the Transportation Demand Management (TDM) program and monitoring plan approved as part of the Approved PUD under Z.C. Order No. 13-14, as applicable to the Parcel 2 Building, as well as the following additional TDM measures that are specific to the Parcel 2 Building:</p> <ol style="list-style-type: none"> <li>a. The Applicant shall designate a TDM coordinator, who is responsible for organizing and marketing the TDM plan and who will act as a point of contact with DDOT; and</li> <li>b. An electronic display shall be installed in the Half Street residential lobby to display real-time transit arrival and other transportation options information; and</li> <li>c. The Applicant shall post all TDM commitments to the project website, which shall include links to Commuter Connections and goDCgo; and</li> <li>d. The Applicant shall assist and promote the annual commuter fairs, hosted by the project association or business improvement district established for the Overall PUD Site, with representatives of various transportation providers to explain transportation services available for employees and residents; and</li> </ol>	<p>loading operations at the Parcel 2 Building, as listed in Finding of Fact ## of this order.</p>

Proffer	Condition
<p>e. All on-site parking shall be priced at market rates at minimum, defined as the average cost for parking in a 0.25 mile radius from the site, and all residential parking will be unbundled from the costs of leasing apartments or purchasing condos; and</p> <p>f. The Applicant shall comply with Zoning requirements to provide bicycle parking/storage facilities, including secure parking located in the garage for residents; and</p> <p>g. As part of the entire McMillan car-sharing program, the Applicant shall accommodate car-sharing company requests to provide parking spaces. Until requested by a car-sharing company, these spaces shall be part of the general parking supply; and</p> <p>h. All retail employers shall be encouraged to provide SmartBenefits for their employees; and</p> <p>i. The Applicant shall offer the first occupant of each unit an annual carsharing membership <u>or</u> an annual Capital Bikeshare membership for a period of three years.</p> <p>The Applicant will implement the following restrictions and guidelines on loading operations at the Parcel 2 Building to accommodate expected loading demand, ensure coordination of deliveries and loading between the residential and retail uses, and mitigate any potential impacts that may result from the requested loading flexibility:</p> <p>a. A loading dock manager shall be designated by building management and shall be responsible for coordinating delivery schedules among building tenants. All residential move-ins and move-outs shall be scheduled in a manner that does not conflict with retail deliveries; and</p> <p>b. The loading dock manager shall schedule deliveries such that the loading dock capacities are not exceeded. In the event that an unscheduled delivery vehicle</p>	

Proffer	Condition
<p>arrives while the dock is full, that driver shall be directed to return at a later time so as to not impede traffic flow; and</p> <p>c. The loading dock manager shall monitor inbound and outbound truck maneuvers and shall ensure that trucks accessing the loading berths do not block vehicular or pedestrian traffic along Three Quarter Street except during those times when a truck is actively entering or exiting a loading berth, and shall ensure that any surrounding pedestrians have vacated the area before allowing a truck to back into the loading area; and</p> <p>d. The 30-foot loading berth shall be managed such that conflicts between the building’s loading and service/delivery needs are avoided by designating peak periods during the day when the loading berth can only be used for service/delivery vehicles, and loading or unloading is not permitted. The 30-foot loading berth shall be appropriately signed to indicate the hours where loading is not permitted, or when the dock is reserved for deliveries; and</p> <p>e. Trucks using the loading dock shall not be allowed to idle and must follow all District guidelines for heavy vehicle operation including, but not limited to, DCMR 20 – Chapter 9, Section 900 (Engine idling), and the regulations set forth in DDOT’s Freight Management and Commercial Vehicle Operations document; and</p> <p>f. The loading dock manger shall be responsible for disseminating information to drivers related to DDOT’s Freight Management and Commercial Vehicle Operations document and DDOT’s truck routes, the loading dock manager shall post this information in a prominent location within the loading areas.</p>	

<b>PUBLIC BENEFITS</b>	
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<p>The public benefits and project amenities associated with Parcel 2 are part of the substantial number of public benefits and project amenities approved as part of the Approved PUD, at which time the Commission considered the balance between the public benefits and project amenities offered, including the amount of affordable housing, and the degree of development incentives requested and any potential adverse effects of the Approved PUD. The Commission found then, as it does now, that the public benefits and project amenities of the Approved PUD are adequate to support the Second-Stage PUD.</p> <p>Pursuant to the Approved PUD, approximately 25 units, or approximately 21,341 square feet of total gross floor area, within the Parcel 2 Building will be devoted to households earning up to 80% of the AMI. The affordable dwelling units located on Parcel 2 will be sufficient to achieve a 20% split of affordable units across the Overall PUD Site (<i>See Z.C. Order No. 13-14, Finding of Fact 79(b), at 19</i>). In addition, the Applicant has committed to providing two additional ADUs devoted to households earning up to 50% of the AMI should the Commission grant the requested flexibility relating to the final programming of the ground floor of the Parcel 2 Building.</p>	<p><u>Affordable Housing</u>: As required under Z.C. Order No 13-14, Condition No. C-6, the Applicant shall dedicate approximately 25 dwelling units, or approximately 21,341 square feet of gross floor area, in the Parcel 2 Building as affordable dwelling units for households earning up to 80% of the AMI. Furthermore, for the flexibility granted by the Commission relating to the final programming of the ground floor of the Parcel 2 Building, the Applicant shall provide two (2) additional affordable dwelling units targeted to households earning no more than 50% of the AMI. All affordable dwelling units shall remain subject to the applicable rental or price controls for so long as the Parcel 2 Building is in existence.</p>
<p><b>SUSTAINABLE DEVELOPMENT</b></p> <p>In keeping with the Approved PUD, the Master Plan for the Overall PUD Site will be evaluated for LEED-ND (Neighborhood Development) and shall be certified at least LEED-Gold or its equivalent, and shall achieve, at minimum, the applicable provisions of the Green Construction Code of the 2013 Construction Code of the District of Columbia.</p> <p>As required under the Approved PUD, the Parcel 2 Building will be certified LEED-Silver, or its equivalent under Green Communities. (<i>see Z.C. Order No. 13-14, Condition No. C-10 at 61</i>).</p>	<p><u>Environmental Benefits</u>: The Master Plan for the overall redevelopment of the McMillan Sand Filtration Site shall be evaluated for LEED –ND (Neighborhood Development) and shall be certified at least LEED-Gold or its equivalent. The Parcel 2 Building shall be certified LEED-Silver, or its equivalent under Green Communities, generally consistent with the score sheets included in the Final Plans (Exhibit 58A4, Sheets 63 - 67).</p> <p>The Applicant shall continue to evaluate ways to incorporate additional sustainability features as design of the Parcel 2 Building is further developed, and shall make a good faith effort to achieve LEED-Gold, or its equivalent under</p>



	Green Communities, but shall not be required to obtain a LEED certification for the Parcel 2 Building higher than LEED-Silver.
<p><b>FIRST SOURCE EMPLOYMENT OPPORTUNITIES AND CBE</b></p> <p>Pursuant to the First Source Agreement established between the D.C. Department of Employment Services ("DOES") and Vision McMillan Partners, dated June 23, 2014 (See Exhibit 832K in Z.C. Case 13-14), the Applicant is required to use DOES as the first source to fill all new jobs created as a result of the Second-Stage PUD, and requires that 51% of all new hires on government contracts between \$300,000 and \$5 million shall be District residents. The Applicant is committed to meeting the requirements under the First Source Agreement and to maximize job opportunities for District residents, especially Ward 5 residents.</p> <p><u>Training and Employment Opportunities:</u> During construction of the Parcel 2 Building, the Applicant will abide by the terms of the executed First Source Employment Agreement with DOES. To the extent permitted by law, first preference for employment opportunities will be given to Wards 1 and 5 residents.</p> <p><u>CBE Participation:</u> Pursuant to Z.C. Order No. 13-14, Condition C-7, a CBE Agreement has been executed with the D.C. Department of Small and Local Business Development ("DSLBD") to achieve, at a minimum, 35% participation by certified business enterprises in the contracted development costs for the design, development, construction, maintenance, and security created as a result of the Approved PUD. Business opportunities will be posted on the DSLBD website, and CBE businesses will be given opportunities for smaller contracts, such as catering, trash collection, and delivery service. Work will continue with DSLBD, contractors, and with the Business Development Councils and other local community organizations to maximize opportunities for CBE firms throughout the</p>	<p><u>Training and Employment Opportunities:</u> <i>During construction of the Parcel 2 Building</i>, the Applicant shall abide by the terms of the executed First Source Employment Agreement with the DOES to help achieve the goal of utilizing District residents for at least 51% of the new jobs created by the Approved PUD. To the extent permitted by law, first preference for employment opportunities shall be given to Wards 1 and 5 residents.</p> <p><u>CBE Participation:</u> <i>During construction of the Parcel 2 Building</i>, the Applicant shall abide by the terms of the executed CBE Agreement with the DOES to achieve, at a minimum, 35% participation by certified business enterprises in the contracted development costs for the design, development, construction, maintenance, and security created as a result of the Approved PUD.</p>

<p>process. The Approved PUD will also include 20% sponsor equity participation by a CBE developer.</p>	
<p><b>PROJECT ASSOCIATION</b></p> <p>Pursuant to Z.C Order No. 13-14, a project association or business improvement district will be established, referred to as the McMillan Public Space Partnership (the "Partnership"). The Partnership will provide an operating framework to maintain and program the public space within the McMillan redevelopment, including the private roadways, alleys, bicycle paths, historic walks, sidewalks, parks, open space, historic resources, streetscapes, street furniture and fixtures, and signage within the Overall PUD Site boundaries. The Partnership will be a not-for-profit corporation governed by a board of directors responsible for strategic and financial planning, management, and reporting to the public. As its primary function, the Partnership will maintain and program most, if not all, of the public assets within the Overall PUD Site via an agreement with the District. The assets include the parks and open space, historic resources, public art, and internal streets and their components (e.g., paving, light fixtures, benches).</p>	<p><u>Prior to issuance of a certificate of occupancy,</u> a project association or business improvement district for the Approved PUD that will be responsible for the maintenance and improvements of the private roadways, alleys, bicycle paths, historic walks, sidewalks, parks, open space, historic resources, streetscapes, street furniture and fixtures, and signage within the Overall PUD Site boundaries. Additionally the project association will contribute to funding for programming and staging events within the Overall PUD Site boundaries for the benefit of the public.</p>