

BACKGROUND ON LCRAEYA COMMUNITY BENEFITS AGREEMENT (CBA)

General

Generally, the task force meets the fourth Thursday of every month. It has had a public google groups email list since 2012 as well as a google group list of executive task force members since 2017 for the purpose of deeper analysis and discussion, since the public list was completely open. The general meeting time is noted on the LRCA website, and monthly meetings have long been sent out on the google group lists, and more recently, the LRCA listserv. Also, during the time periods referenced below, a task force representative would give a monthly update during LRCA meetings (as reflected in the newsletter minutes). In the Fall of 2018, when fuller meeting agendas impacted the time left for committee reports, written updates were provided for members at the back table.

THE HISTORY

This is an update from a fact sheet distributed to members in 2015. LRCA's involvement really dates back to 2005-2006, with the planning and construction of the Wal-Mart Site. This was initially \$300 million mixed-used project, in three phases: the Tiger Mart site, the Dakotas site and the DDOT parcel.

2007-2008

- The task force developed a set of recommendations for community benefits and presented that to the developer, successfully requesting that it be included in any Land Development Agreement (LDA) between them and the city about the DDOT parcel. Note that the typically, such CBAs are not included in LDAs, but usually are found in Planned Unit Developments.

2009-2014

- The North Stage project became delayed due to the economy and the task force would periodically meet/get updates from the developer. The LRDTF testified at a surplus property hearing regarding the parcel in 2014. The Walmart site was constructed.

2015-2016

- Movement began on the LDA between the developer and the city, so the task force began meeting to discuss next steps regarding the parcel sale and the CBA. This included general update meetings and negotiations with the developer, for example in May 2016, researching comparable CBAs from PUDs in the city.
- It was determined in the summer of 2016 that a binding general term sheet for CBA purposes would be included as part of the LDA process. The task force met with the developer on two occasions to finalize the language for that term sheet.
- We held public meetings and created member survey to solicit public input. This survey was distributed online, in public meetings, and also via the newsletter. Generally by sliding scale, the survey asked which elements were most important: Maximizing affordable housing; Workforce development programs to foster local hiring; Small business development programs; Scholarships for post-high school education; Public space improvement reflecting neighborhood character (e.g., signs, lighting, landscaping); Creation or maintenance of green space (e.g., parks); Community development fund for equipment & programs in neighborhood (e.g., library, rec center, schools); and public safety measures (see graphic of first set of charts; complete results are available). Based upon

Overview of CBA Items as Provided Via Membership Updates

- Workforce Development of local residents, including education, training, or certifications (\$20,000)
- Small Business Development for capacity building services (\$15,000)
- Educational Development: college scholarships for local students (\$50,000)
- Public Space Improvements to a local open space, the streetscape, signage and branding; temporary and/or evolving activation of a nearby public open space; and seed funding for a Business Improvement District (BID), Green Team, Main Street, etc. (\$200,000)
- Community Development: new equipment, services, or other facility upgrades at public and private-sector (nonprofit) entities; services or equipment to enhance security and minimize vandalism near the project; and certain LRCA administrative expenses (\$40,000): (a) LaSalle-Backus music & technology programs: \$17,000; (b) DC Rape Crisis Center to expand clinical services for survivors: \$5,000; (c) UDC Bertie Backus Urban Food Hub upgrades: \$5,000; (d) Riggs-LaSalle Rec supplies: \$2,800; (e) Coolidge Alumni Association mentorship program: \$2,700; (f) Lamond-Riggs Library Friends programming: \$1,500; and (g) LRCA two-year expenses for newsletter printing and website maintenance: \$6,000.

the results, feedback from meetings and task force analysis of the same, a financial distribution was determined and shared with the membership. Survey results were shared in public meetings and online.

- The developer incorporated the vast majority of our concerns into the term sheet so LRCA supported the parcel sale in written testimony, and the “handshake” agreement regarding the term sheet was reflected in the DC council committee report approving the sale. The outline of the term sheet was presented at public meetings, online, and in the newsletter.

2017

- The task force continued to meet with the developer to discuss the design and concept for the site, flesh out the legal CBA terms, and to discuss minor zoning variance through BZA.

2018

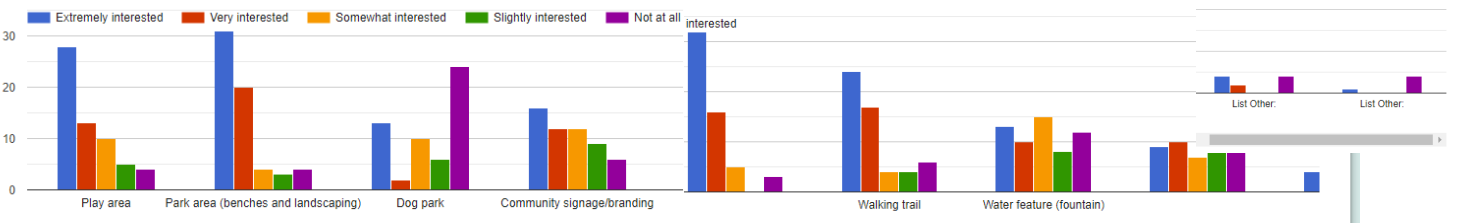
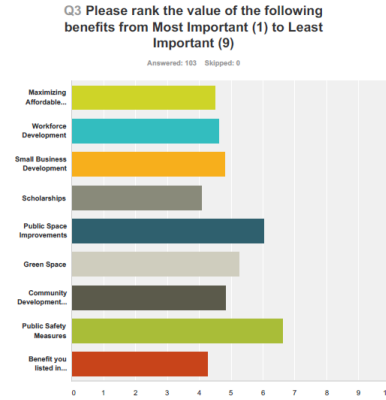
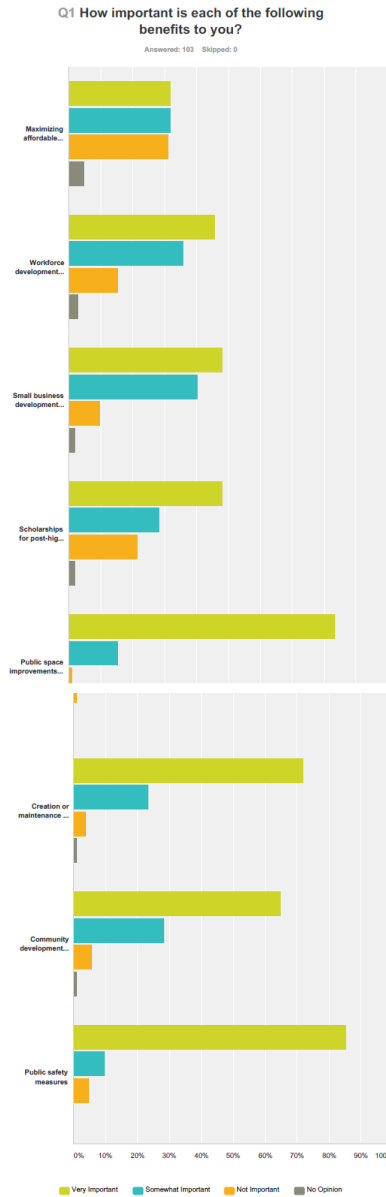
- As mutually agreed, in April the developer did a first draft of the full CBA, which would be followed by task force analysis, review by our own legal counsel and as per emails “the usual LCRA processes as next steps.”
- In April the Board of Zoning Adjustment heard the special zoning exception, which had an ANC resolution in support and an LRCA letter to the BZA, stating in most pertinent part that LCRA "does support the special zoning exception, based upon the following factors: (1) the completion and full implementation of a community benefits agreement between the developers and LRCA; (2) the provision of new homeownership opportunities for families; (3) the addition of new neighborhood-serving retail; (4) a high-quality design that complements both the old and new residential/commercial character of the community; and (5) the inclusion of several affordable housing units (as required by District law).”
- The task force also did another community survey to go into more detail about what types of entities should benefit from the financial buckets and what were the public space improvement priorities (see charts at bottom as just examples; full results

available).

- The task force continued to meet over the summer (as announced at the June 2018 meeting) to further discuss the CBA (to include reminders that the next steps would be board and membership review once the document was final) and other development updates.
- Leading into late fall to date, the CBA was reviewed by legal counsel on both sides. The document was maintained as confidential (between the LRCA board and the task force) in its final review stages to better maintain the integrity of the document.

2019

- The week of March 18, our legal counsel approved the CBA language (as okayed earlier by the developers). The CBA was then put on the agenda of the April 2019 meeting.



NOTE: This document constitutes the CBA language as vetted by legal counsel working on behalf of LRCA, as well as the Developer's legal counsel.

COMMUNITY BENEFITS AGREEMENT

This Community Benefits Agreement ("**Agreement**") is made this _____ day of [MONTH, YEAR] by and between FT ASSOCIATES LLC ("**Developer**"), and the Lamond-Riggs Citizens Association ("**LRCA**"). Developer and LRCA are collectively referred to herein as the "**Parties**."

RECITALS

WHEREAS, Developer will own the property located at 5543-5575 South Dakota Avenue NE (Square 3760, Lot 22; Parcel 125/30; and the adjacent unimproved portions of a street to be closed) in the District of Columbia (the "**Property**" or "**Subject Property**");

WHEREAS, Developer intends to construct a new mixed-use residential and retail development with 160-185 townhouses and/or condominiums, underground and above-grade parking, and ground-floor retail on the Property (the "**Project**");

WHEREAS, Developer's order was granted for special exception approval from the Board of Zoning Adjustment ("**BZA**"), in Case No. 19745 on May 30, 2018, to allow for construction of the Project (the "**BZA Application**");

WHEREAS, the Property is owned by the District of Columbia and will be transferred to Developer pursuant to a land disposition and development agreement ("**LDDA**"); and

WHEREAS, as part of the LDDA process, Developer negotiated with LRCA to provide certain public benefits as part of the Project;

NOW THEREFORE, for good and valuable consideration received, the Parties agree as follows.

LRCA RESPONSIBILITIES

1. LRCA shall support the Project, the BZA Application, and other entitlements as necessary for the Project. "Support" shall be indicated as majority votes for resolutions or motions supporting the Project and recommending its approval.

DEVELOPER RESPONSIBILITIES

2. **Workforce Development:** Developer will provide \$20,000 for workforce development of local residents, including education, training, or certifications. The funding will be provided to an entity determined by the LRCA to provide and/or administer these services. The LRCA will provide Developer with the entity's information within six months of Developer's purchase of the Property, the date of payment will be coordinated between Developer and LRCA, but in no case shall it be sooner than six months but no later than 12 months after the start of construction associated with the final building permit for the Project
3. **Small Business Development:** Developer will provide \$15,000 for capacity building services for small businesses. The funds will be provided incrementally, on a schedule to be determined by the LRCA and the developer, in no case shall it be sooner than six months but no later than 12 months after the start of construction associated with the final building permit for the Project, to the awardee of the South Dakota Avenue Main Street program. The LRCA will provide Developer with the awardee's information within six months of Developer's purchase of the Property.
4. **Educational Development:** Developer will provide \$50,000 for college scholarships for local students through the LRCA. The funding will be provided to LRCA, which will administer the grant program. The LRCA will provide Developer with the disbursement schedule within six months of Developer's purchase of the Property, the date of payment will be coordinated between Developer and LRCA, but in no case shall it be sooner than six months but no later than 12 months after the start of construction associated with the final building permit for the Project
5. **Public Space Improvements:** Developer will provide a total of \$200,000 worth of public space improvements in the vicinity of the Property. The \$200,000 will be allocated among items 5a, 5b and 5c, in amounts to be determined by the LRCA based upon final cost proposals of the services to be supplied.
 - a. Within six months but no later than 12 months after the start of construction associated with the final building permit for the Project, Developer will provide funding to complete improvements or upgrades to a local open space, improve the streetscape within close vicinity of the site, or make other public space beautification improvements near the Property (including signage and branding). Prior to issuance of final building permits, Developer will provide in-kind design services and a minimum of three visioning sessions each for: (1) activation of District public space on the Southwest corner of South Dakota Avenue and Riggs Road NE; and (2) activation of Fort Circle Park, located at South Dakota Avenue and Galloway Street NE. The distribution schedule of the funds will be determined by the LRCA and the Developer within 90-120 days of final cost proposals.
 - b. Within six months but no later than 12 months after the start of construction associated with the final building permit for the Project, Developer will provide funding for temporary and/or evolving activation of a nearby public open space, such as a farmers

market or “movie in the park.” Funding will be provided to an organization that has expertise in organizing such activities. The LRCA will provide the Developer with the organization’s information within six months of Developer’s purchase of the Property. The distribution schedule of the funds will be determined by the LRCA and the Developer within 90-120 days of final cost proposals.

- c. Within six months but no later than 12 months after the start of construction associated with the final building permit for the Project, Developer will provide seed funding to the awardee of the South Dakota Avenue Main Street program, which would be used to beautify the area through cleaning, security, and place making services, or other activities aimed at making the area a vibrant retail corridor. The distribution schedule of the funds will be determined by the LRCA and the Developer within 90-120 days of final cost proposals. Ultimately, the group would need to be continually funded by other nearby commercial property owners.
6. Community Development: Developer will provide a total of \$40,000 worth of community development improvements, the date of payment will be coordinated between Developer and LRCA, but in no case shall it be sooner than six months after the start of construction associated with the final building permit for the Project
- a. Developer will provide \$34,000 for new equipment, services, or other facility upgrades at the following public and private-sector nonprofit entities that provide community services to the Lamond-Riggs Community.
 - LaSalle Backus Education Campus, music program and technology: \$17,000
 - DC Rape Crisis Center to expand clinical services for survivors: \$5,000
 - UDC Bertie Backus Urban Food Hub upgrades: \$5,000
 - Riggs-LaSalle Recreation Center, for supplies including but not limited to a Foosball table, Medicine balls, indoor basketballs, quilting supplies; Curl bars, and T-shirts: \$2,800
 - Coolidge Alumni Association, to establish and/or assist with mentoring programs: \$2,700
 - Lamond-Riggs Library Friends, to support one year of its library programming: \$1,500
 - b. Developer will provide \$6,000 to help defray LRCA administrative expenses for two years of newsletter printing costs and two years of website maintenance.

MISCELLANEOUS

- 7. Binding Agreement: This Agreement shall be binding upon and shall inure to the benefit of Developer, LRCA and their respective heirs, successors, and assigns.
- 8. Entire Agreement: This Agreement constitutes the entire Agreement between the Parties hereto and no party is liable to the other or bound in any manner by express or implied warranties, guarantees, promises, statements or representations pertaining to the subject matter hereof unless such warranties, guarantees, promises, statements, or representations are expressly and specifically set forth herein.
- 9. Choice of Law: All parts of this Agreement shall be governed by and construed in accordance with the laws of the District of Columbia.
- 10. Modifications: Modifications, waivers, and consents regarding this Agreement shall only be binding if in writing and signed by all Parties.
- 11. Mediation: If a dispute arises out of or relates to this contract, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures before resorting to arbitration, litigation, or some other dispute resolution procedure. If mediation is unsuccessful, any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration administered by the ABA in accordance with its Commercial [or other] Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.
- 12. Severability: If any term, provision or clause within this Agreement shall be determined by a court of competent jurisdiction to be invalid, void or unenforceable, only that particular term, provision of clause shall be nullified. The remainder of this Agreement shall continue to be in full force and effect.

DEVELOPER:

FT ASSOCIATES LLC,
A Delaware limited liability company

By: EYA FT Manager LLC
A Delaware limited liability company,
its Manager

By: _____
Name: _____
Title: _____

Lamond-Riggs Citizens Association

By _____
Name:
Title:

Lamond-Riggs Citizens Association

By _____
Name:
Title: