

AGREEMENT

This Agreement made this 1st day of May, 2013, by and among Watergate Hotel Lessee, LLC, t/a Watergate Hotel (Applicant), and Watergate West, Inc., Watergate East, Inc., Watergate South, Inc. ~~and certain individuals who are tenants of the hotel (collectively "the Neighbors")~~ (collectively "the Neighbors").

RECITALS

WHEREAS, Applicant is the applicant for an Alcoholic Beverage Control (ABC) retailer's license ABRA-091162, Class CH (hotel), for premises located at 2550 Virginia Avenue, NW;

WHEREAS, the Neighbors are supportive of the ABC application with regard to all interior operations of the hotel;

WHEREAS, Applicant has requested approval of five (5) distinct new summer garden spaces, including one (1) on its rooftop, one (1) adjoining its restaurants, and three (3) others also near ground levels with said spaces useable (possibly) year round during the hours specified in this Agreement. These summer gardens shall conform to the size, placement, and shape indicated in the drawing attached as Exhibit A;

WHEREAS, the new summer garden spaces are of concern to the Neighbors;

WHEREAS, based on the terms herein, the Neighbors will withdraw protests lodged of Applicant's request for summer garden endorsements to its license application; and,

WHEREAS, the parties have agreed to enter into this Agreement, pursuant to DC Code Section 25-446, to resolve the issues raised by the objections to the summer garden spaces, and to request that the ABC Board approve Applicant's request for summer garden endorsements conditioned on Applicant's compliance with the terms of this written Agreement.

NOW, THEREFORE, in consideration of the recitals set forth above and the mutual covenants and conditions set forth below, the parties agree as follows:

1. Recitals Incorporated. The recitals set forth above are incorporated herein by reference.
2. (a) Rooftop Summer Garden. The rooftop level summer garden space, with a maximum capacity of 350 persons, shall have hours of operation consistent with the hours permitted under the application for the ABC license, except that the roof shall be closed at 12 a.m. Sunday through Thursday and at 2 a.m. Friday, Saturday and the morning of Federal holidays. The parties agree to renegotiate this rooftop provision after an interim monitoring period should adjustments be needed. Such renegotiation shall be completed the later of the following dates: December 31, 2014

if the rooftop summer garden is in operation by June 15, 2014, or September 15, 2015, if the rooftop summer garden is not in operation by June 15, 2014 (it being the intention of the parties that such negotiation transpire only after a complete June 15 - September 15 season of operation). Absent negotiation of an amended provision regulating hours of operation and hours of music offerings, this provision will be enforced in its present form.

Rooftop Summer Garden shall have no live music after 10 p.m. Sunday through Thursday and 12 a.m. on Friday, Saturday and the eve of Federal Holidays. Cover charges will be collected at no more than 5 events per year. Recorded music may be offered until 12 a.m. Sunday through Thursday and 2:00 a.m. on Friday - Saturday and the morning of Federal holidays. At all times, all live and recorded music will be controlled by an audio limiter restricting volume emissions to minimize excessive noise. Applicant shall regulate the audio system sound levels, including use of the audio system by contracted musicians, disc jockeys and other vendors on the rooftop summer garden so that it is consistent with the sound system specifications and noise prohibitions set forth in this Agreement. Amplifiers and other sound equipment will be directed toward the Potomac River to limit sound propagation toward the Watergate residential units. No music from the rooftop summer garden shall be audible at any time from within the interior of Watergate residents' residences. No noise generated by applicant's patrons or entertainment activities shall be audible within the interior of Watergate residents' residences after 10:00 pm on any day. At all times, noise levels generated from amplified music from the hotel or its operation shall not exceed 55 dba at Watergate residential balconies/terraces. Audible music from the rooftop summer garden heard in Watergate residential units or on Watergate residential balconies/terraces in contravention of the above standards shall constitute a material breach of this agreement. Initial levels for calibrating the audio control system (audio limiter) will be conducted by an acoustical engineer with the cooperation of the Neighbors through sound readings from two Watergate residences and balconies. Applicant shall bear the expense of the initial sound level testing and any further sound level testing that may be necessary to comply with the Agreement. As used in this Agreement, the term "Watergate residential" shall include the residential units of Watergate West, Watergate East and Watergate South.

(b) Restaurant West Terrace Summer Garden (adjacent to Watergate West pool area), (Exhibit B) and Restaurant East Terrace Summer Garden (adjacent to Watergate East pool area). The occupancy of the restaurant West terrace summer garden shall be limited to a maximum of 99 persons or to the total seating capacity of the finished space, whichever is less. Tables and chairs necessary to accommodate this terrace's total capacity, as defined immediately above, will remain in place at all times. The restaurant West terrace summer garden shall only be accessed from inside the interior dining room, and not directly from any other location. There shall be no cover charge for admission to the restaurant West terrace summer garden and no outside bar thereupon. A "No Smoking" sign shall be displayed on the restaurant West terrace summer garden.

This restaurant West terrace summer garden shall operate from 7:00 a.m. through 10:30 p.m. Sunday through Thursday and from 7:00 a.m. to 11:30 p.m. Friday, Saturday and the eve of

Federal holidays. The restaurant West terrace summer garden shall be clear of patrons by the agreed upon closing times.

No live music shall be performed on the restaurant West terrace summer garden. Recorded ambient music, at levels inaudible at Watergate West private units or balconies/terraces may be offered until 9:00 p.m. daily. No entertainment or dancing endorsement will apply to the restaurant West terrace summer garden. Hotel management will establish operating guidelines so as to minimize noise during clean up and set up. An architectural, wood screening wall (Exhibit C) will be built by the hotel to minimize both noise transmission and views from the restaurant West terrace summer garden and the walkway/driveway at the hotel west entrance to the Watergate West pool and its ground level terraces and balconies. Landscaping will remain in its general existing location and will be enhanced through the renovation as reflected in Exhibit D. Lighting on the restaurant terrace will not shine at the Watergate West property or residences and will be strictly oriented toward the floor or to the Watergate hotel façade as shown in Exhibit E. Patio umbrellas or other type of awnings will also be used on this space.

Applicant also agrees that there will be no direct ingress to the restaurant West terrace summer garden from the adjacent alley. Applicant agrees to use best efforts to discourage its staff from congregating in this alley and disturbing adjacent neighbors. Applicant will limit the outdoor disposal of refuse and recyclables to hours between 7:00 a.m. and 9:00 p.m., so as to reduce the impact on the peace and quiet of the adjacent residents and to use best efforts to ensure that any truck or trash deliveries or pickups happen only between 7:00 a.m. and 9:00 p.m.

The restaurant East terrace summer garden shall have a maximum seating capacity of 25 persons. Provisions in this Section 2(b) relating to hours of operation, presentation and audibility of music, and prohibition of entertainment and dancing applicable to the restaurant West Summer Garden Terrace shall be applicable to the restaurant East summer garden terrace.

2(c) The Café-Pâtisserie terrace summer garden shall operate no later than 11:00 pm seven (7) days a week. No live music shall be offered. Recorded music may be offered until 10:00 pm Sunday through Thursday and 11:00 pm Friday - Saturday and the eve of Federal holidays. Music levels will be controlled to comply with the 55 dba standard applicable to residential balconies/terraces after 10:00 pm each evening.

2(d) The terrace located outside the Hospitality Suites shall operate not later than 10:00 pm Sunday through Thursday and 11:00 pm Friday - Saturday and the eve of Federal holidays. No live music shall be offered. Recorded music may be offered until 10:00 pm Sunday through Thursday and 11:00 pm Friday and Saturday and the eve of Federal holidays. Music levels will be controlled to comply with the 55 dba standard applicable to residential balconies/terraces after 10:00 pm each evening.

2(e) Terrace summer garden above the ballroom shall operate not later than 10:30 pm Sunday through Thursday and 11:30 pm Friday - Saturday and the eve of Federal holidays. Live music may be offered occasionally and recorded music at other times until 10:00 pm Sunday

through Thursday and 11:00 pm Friday and Saturday and the eve of Federal holidays. Music levels will be controlled to comply with the 55 dba standard applicable to residential balconies/terraces after 10:00 pm each evening.

3. The parties acknowledge that nothing in this Agreement shall prevent the enforcement of other applicable District of Columbia noise ordinances by any of the parties to this Agreement.

4. Applicant shall provide the Neighbors representatives with a written list of names, titles, telephone numbers and email addresses of its managerial employees to contact with any complaint, and to update same when staffing changes occur. The parties acknowledge that nothing in this Agreement shall prevent them from seeking enforcement of applicable regulations, including noise ordinances, by District of Columbia ABRA and law enforcement officials.

5. The Neighbors hereby agree to withdraw their protests and join with Applicant in requesting that the ABC Board accept this Agreement as a condition of approval of the pending license application. This Agreement is contingent upon withdrawal of the protest filed by Advisory Neighborhood Commission 2A and upon the text of this Agreement being incorporated in an Order of the Board granting Applicant's summer garden endorsements to the ABC license.

6. Enforcement. In the event of perceived breach of any term of this agreement, Watergate West, Inc., Watergate East, Inc and/or Watergate South, Inc. shall have exclusive standing to file complaints with the ABC Board and request relief pursuant to DC Code 25-446(e).

7. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all, when taken together, constitute one and the same document. The signature of any party to any counterpart shall be deemed a signature and may be appended to any other counterpart.

8. Authority. Representatives executing this Agreement on behalf of the respective parties do hereby affirm that they have the authority to do so.

In witness whereof, the parties have executed this Agreement as of the day and date first above written.

Applicant:



application. This Agreement is contingent upon withdrawal of the protest filed by Advisory Neighborhood Commission 2A and upon the text of this Agreement being incorporated in an Order of the Board granting Applicant's summer garden endorsements to the ABC license.

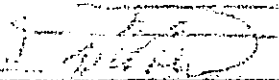
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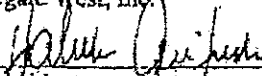
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Applicant: WATERGATE HOTEL-LESSEE, LLC

By: 

Jacques Cohen, President

NEIGHBORS

Watergate West, Inc.
By: 

President HALDUC ARIZUM
2700 Virginia Avenue, N.W.

~~Watergate West, Inc. President Group~~

~~By: _____
William K. Smith, Board Representative~~

~~Watergate Hotel, Inc.~~

~~Watergate Hotel, Inc.~~

~~Watergate Hotel, Inc.~~

~~Watergate Hotel, Inc.~~
~~1900 Virginia Avenue, Falls Church, VA 22044~~

~~Watergate Hotel, Inc.~~

~~Watergate Hotel, Inc.~~

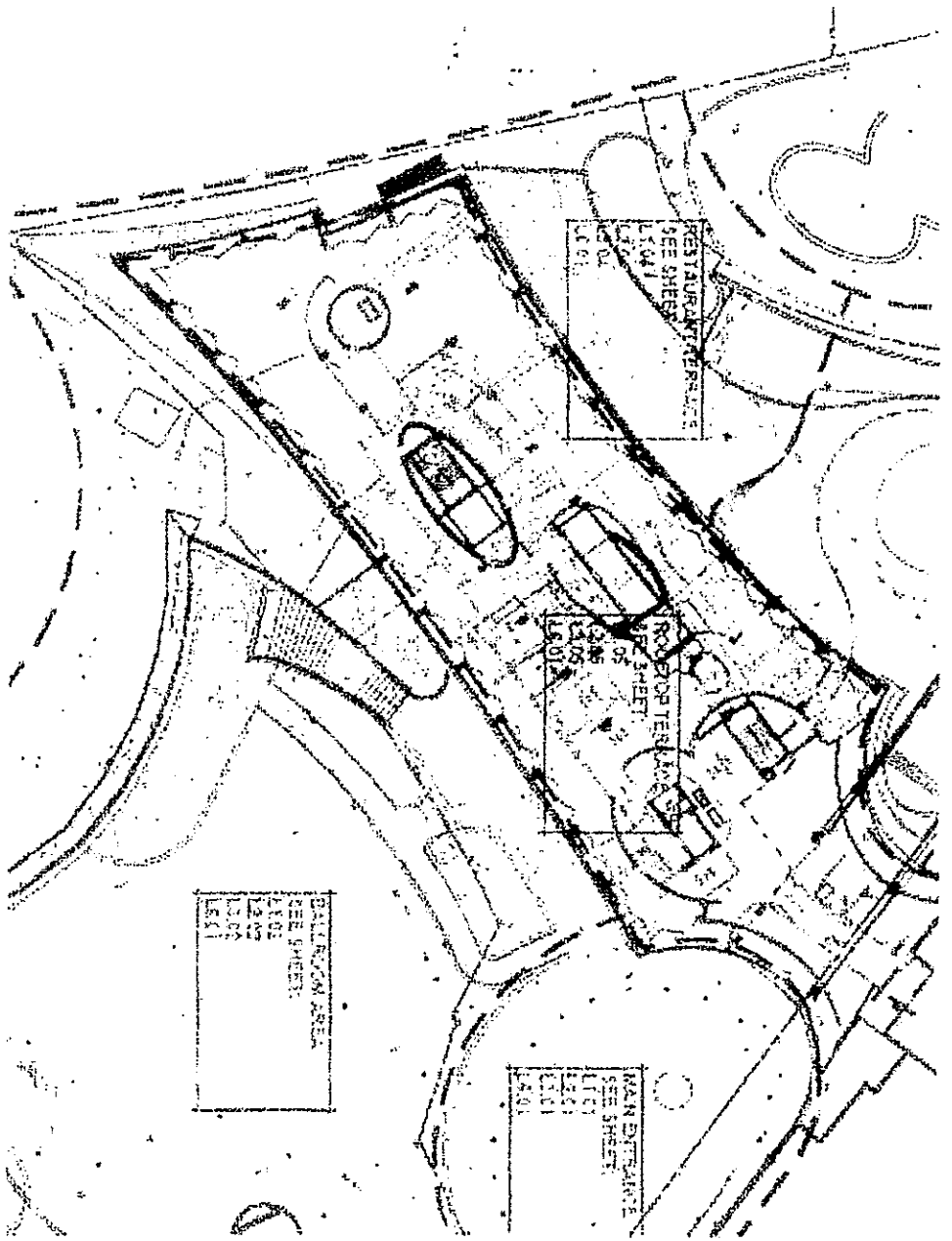
Watergate East, Inc.

By: *[Signature]*
President



Watergate South, Inc.

By: *[Signature]* 4-28-13
Vice President



Watergate Hotel - Summer Gardens

Exhibit A

Ex. B3.

Restaurant Terrace Seating

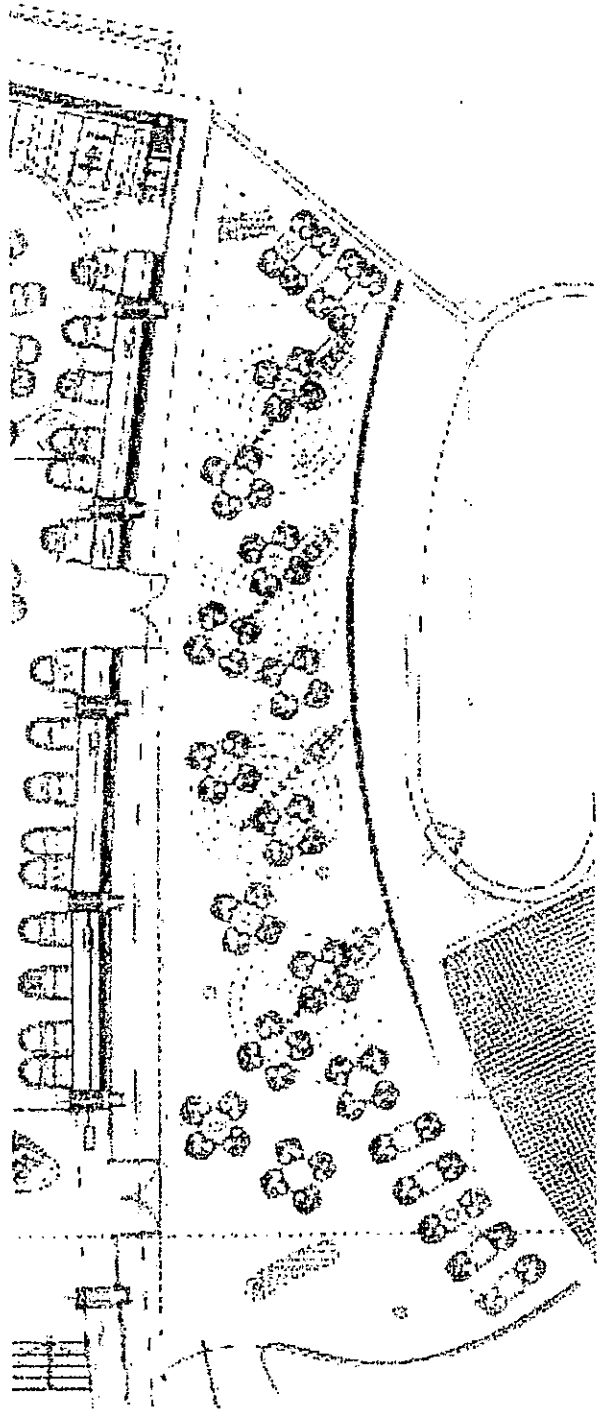
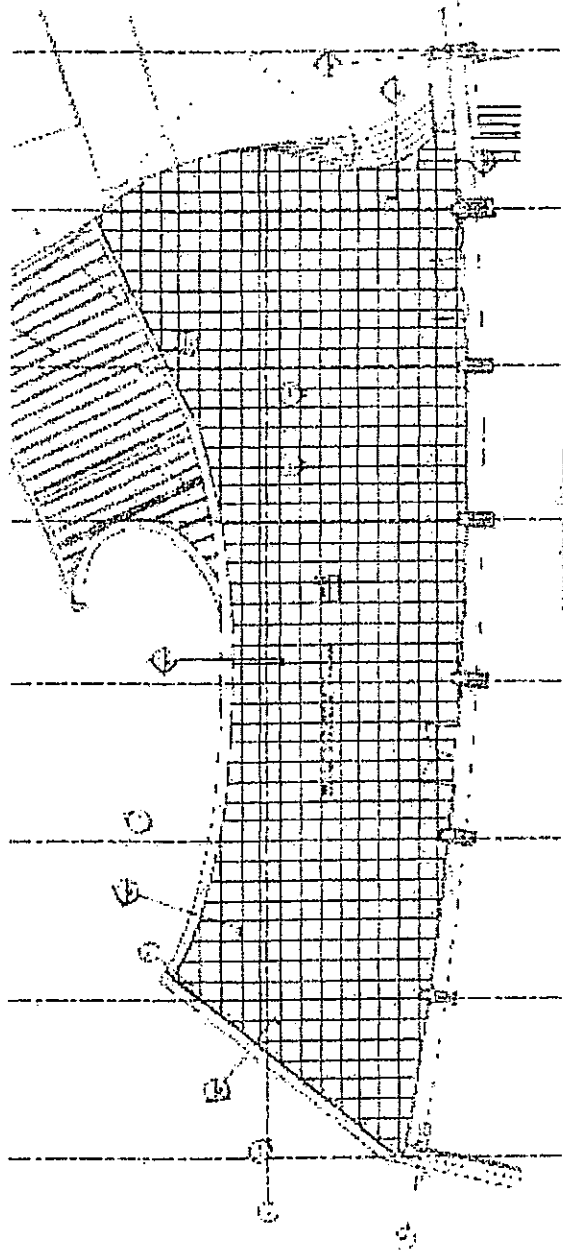
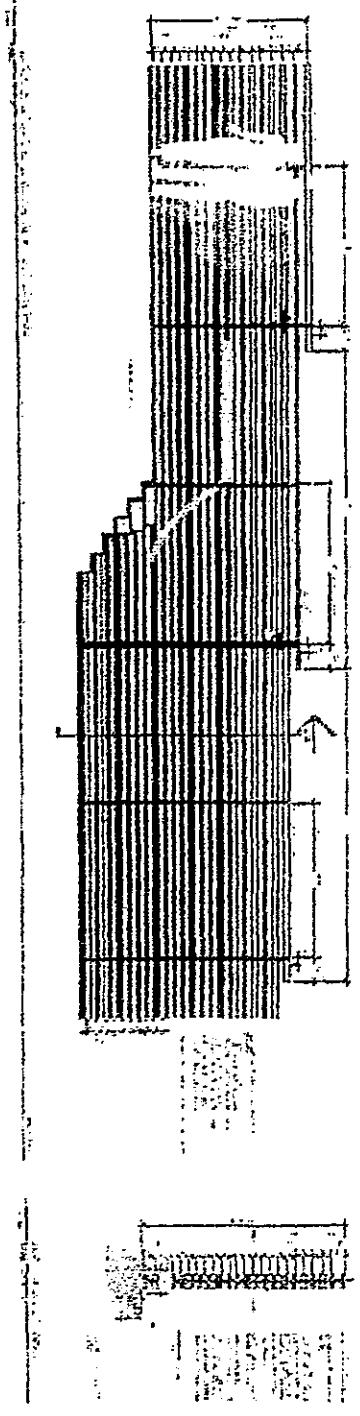


Exhibit B1 (4-23-13)



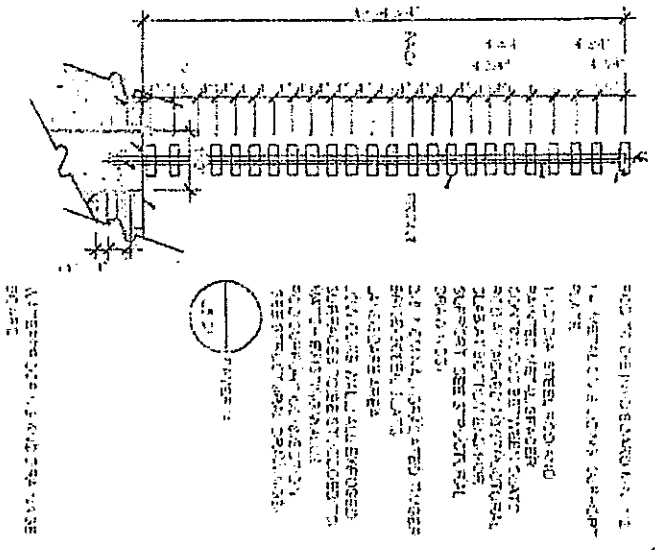
Watergate Hotel
Restaurant Terrace Plan

Ex. C1



Restaurant Terrace Screen Wall Elevation and Section

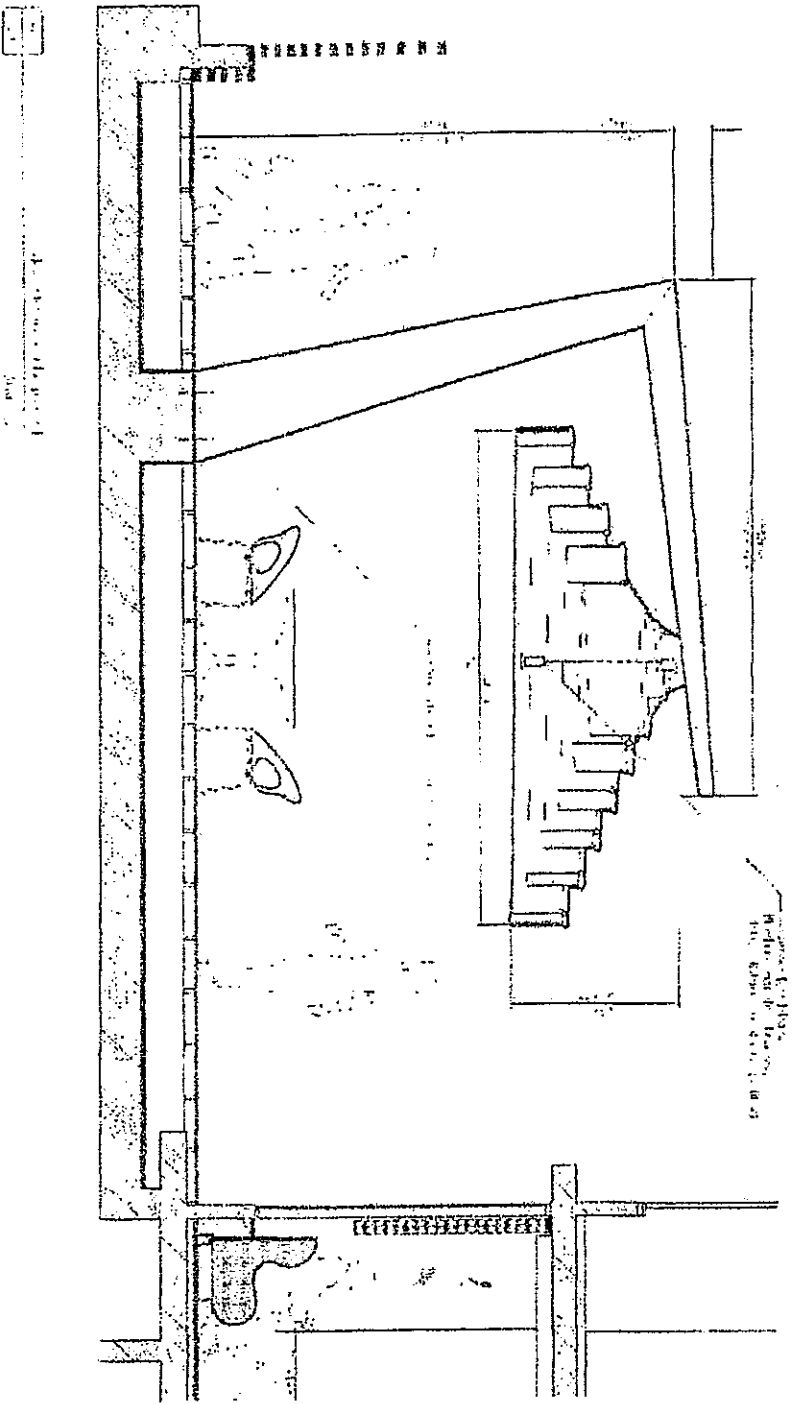
EX. 02



2 SLAT SCREEN WALL SECTION
 SCALE: 1/8" = 1'-0"

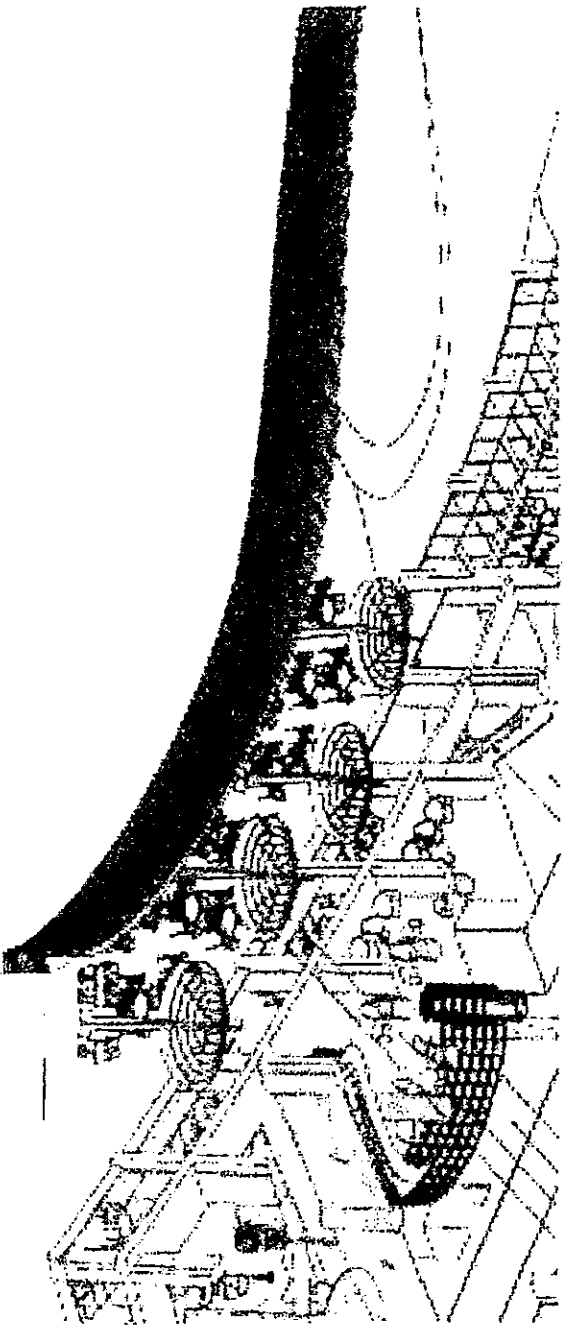
Restaurant Terrace Screen Section @ Drive

Ex. 03



Restaurant Terrace Section

Exhibit C5



Watergate Hotel

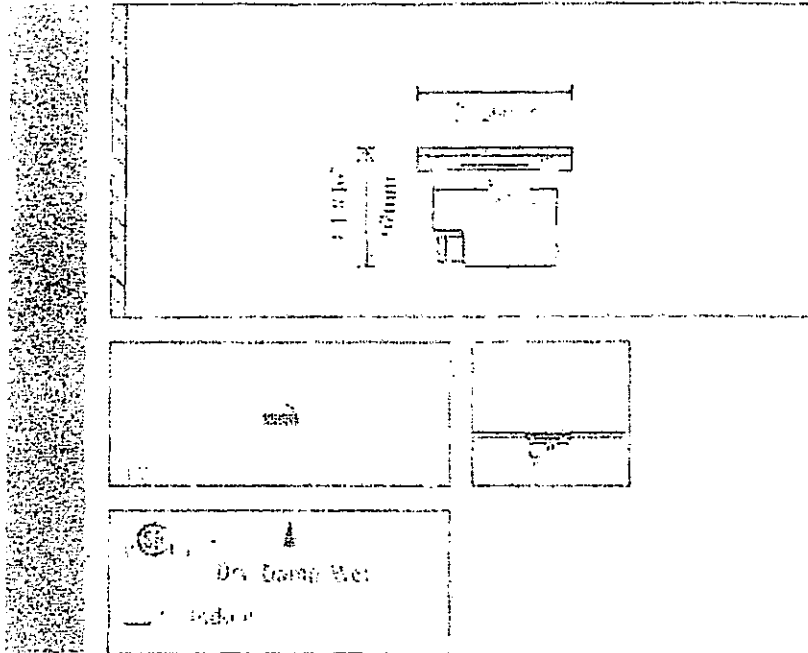
Restaurant Terrace Screen Wall

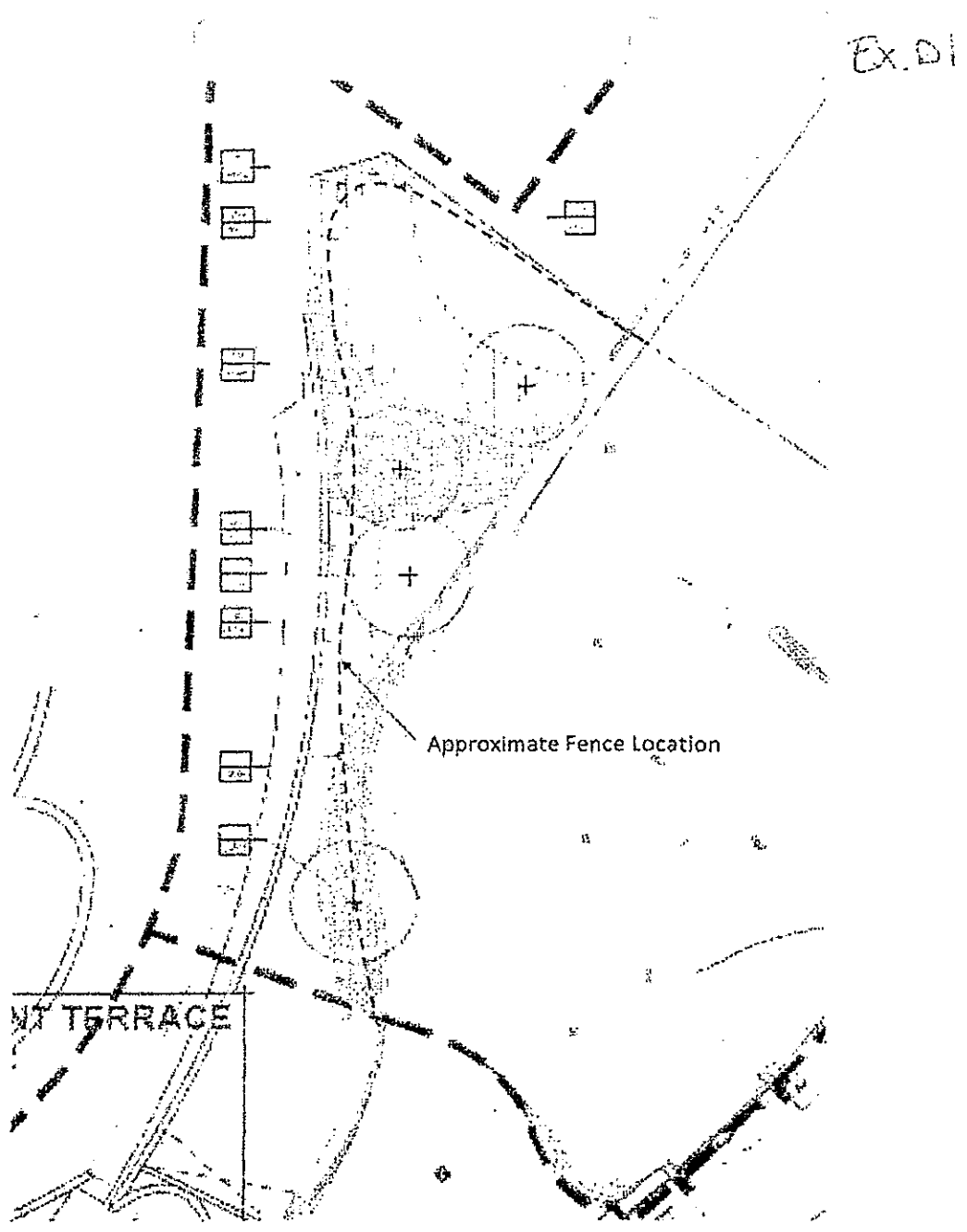
Ex. E2

TYPE K21

cessed floor luminaire

liver with LED





Watergate Hotel
Preliminary Landscape Plan - Alley

EX E3

WALERSALE HOTEL

TYPL K30



STEALTH®

SSL ALED

RECESSED LUMINAIRE



DESCRIPTION

A General

Recessed LED with 120 degree beam angle for 2.5" x 2.5" area. 120 degree beam angle. 120 degree beam angle. 120 degree beam angle. 120 degree beam angle.

B Special Features

Recessed LED with 120 degree beam angle. 120 degree beam angle. 120 degree beam angle. 120 degree beam angle.

C Effects Devices

Recessed LED with 120 degree beam angle. 120 degree beam angle. 120 degree beam angle. 120 degree beam angle.

D Mounting

Recessed LED with 120 degree beam angle. 120 degree beam angle. 120 degree beam angle. 120 degree beam angle.

E Installation

Recessed LED with 120 degree beam angle. 120 degree beam angle. 120 degree beam angle. 120 degree beam angle.

