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**BEFORE THE ZONING COMMISSION
OF THE DISTRICT OF COLUMBIA**

Capitol Place

ZONING COMMISSION CASE NO. 05-37

**SECOND SUPPLEMENTAL MODIFIED PREHEARING STATEMENT
IN SUPPORT
OF THE APPLICATION FOR CONSOLIDATED REVIEW
OF A PLANNED UNIT DEVELOPMENT
AND ZONING MAP AMENDMENT**

September 11, 2007

ZONING COMMISSION
District of Columbia

CASE NO. 05-37

EXHIBIT NO. 89

TABLE OF CONTENTS

Page

TABLE OF CONTENTS	i
LIST OF EXHIBITS	ii
I. INTRODUCTION	1
II. MEDIATION PROCESS WITH COMMUNITY REPRESENTATIVES AND THE APPLICANT	3
III. REVISED DESIGN OF THE PROJECT	5
A. H Street Gateway	5
B. H Street Façade	6
C. G Street	7
D. G Street	7
E. Roof Structures	8
IV. UPDATED INFORMATION REGARDING PUBLIC BENEFITS AND PROJECT AMENITIES	9
V. CONCLUSION	12

LIST OF EXHIBITS

Description

Exhibit

Revised Architectural Plans

Submitted
Separately

H Street Plan – Height Diagram

A

Revised and Reissued Traffic Impact Analysis

B

I.
INTRODUCTION

This Second Supplemental Modified Prehearing Statement and attached documents ("Second Supplemental Submission") are submitted by Station Holdings LLC (the "Applicant") in support of its application for consolidated approval of a planned unit development ("PUD") in conformity with Chapter 24 of the District of Columbia Zoning Regulations and related Zoning Map Amendment before the Zoning Commission for the District of Columbia. The subject property is located between 2nd and 3rd Streets, N.E., and G and H Streets, N.E. The subject property consists of Lots 30, 39, 40, 41, 45, 48, 801, 804, 805, 806, 811, 813, 814, 856, 857, 2001, 2002 and 2003 in Square 752 (the "Site"). The Site is currently split-zoned C-2-A and C-2-B. Lot 45, located along H Street, N.E., was rezoned to C-2-B as part of the H Street, N.E. Neighborhood Commercial Overlay District; the remainder of the Site is zoned C-2-A.

The Applicant originally sought consolidated review and approval of a PUD and a rezoning of the Site to the C-2-B District in order to construct a mixed use development. The details of the proposed development, project design, public benefits and project amenities, and consistency with the Comprehensive Plan and the Ward 6 Plan were set forth in the Applicant's PUD Submission, filed on November 22, 2005, and in its supplemental materials filed on March 22, 2006. The Applicant further supplemented its application in its Prehearing Submission, which

was filed with the Zoning Commission on May 15, 2006, and responded to comments from the Zoning Commission and the Office of Planning.

In July 2006, the Applicant withdrew from its scheduled zoning hearing to continue to refine the project with input from the community and the Office of Planning. In January, 2007, based on the Applicant's work with the community and the Office of Planning, the Applicant presented a redesigned mixed-use project with ground-floor retail. In that revised application, the Applicant's requested zoning change was modified to maintain the C-2-A zoning along G Street while rezoning the corner of 2nd and H Streets, abutting the H Street Overpass and furthest from the existing row homes, to C-3-C. The remainder of the H Street frontage remained zoned C-2-B. The Modified Prehearing Submission, filed with the Commission on January 12, 2007, set forth the details of those changes and the basis for the same. The Office of Planning submitted a report in support of the supplemental set-down on February 2, 2007, and the Zoning Commission set down the revised application for hearing at its February 12, 2007, public meeting.

The Applicant continued with an iterative process with the community and the Office of Planning to further refine and articulate the application. These massing and design modifications were set forth in the Supplemental Modified Prehearing Submission filed with the Commission on April 17, 2007, in anticipation of a public hearing scheduled for May 7, 2007.

By letter dated April 18, 2007, Advisory Neighborhood Commission 6C set forth its concerns related to the project and requested that the May hearing date be

continued to allow further negotiation between the community and the Applicant in an effort to resolve the outstanding issues. The Office of Planning filed a report with the Zoning Commission on April 27, 2007, noting that while great strides had been made on this project, the community still had concerns that could be resolved with further discussions. Therefore, the Office of Planning recommended, and the Applicant agreed by letter to the Zoning Commission dated April 27, 2007, that the Applicant and the community enter into a series of mediated conversations to focus on the design of the building.

II.

MEDIATION PROCESS WITH COMMUNITY REPRESENTATIVES AND THE APPLICANT

As is set forth in detail in Section IV of the Applicant's Supplemental Modified Prehearing Submission, filed with the Commission on April 17, 2007, the Applicant has worked closely with the community for now more than two years on this project, with initial meetings having taken place in August 2005. Since April 2007, the Applicant has continued to work with the community through the mediation process sponsored by the Office of Planning. The Applicant first met with Lee Quill, the appointed mediator (the "Mediator") on May 23, 2007. The Mediator then met with the community representatives, including Karen Wirt, Chairman of ANC 6C, Monte Edwards from the Stanton Park Neighborhood Association, Gary Peterson from the Capital Hill Restoration Society, Drury Tallant representing the residents of Square 752, and Drew Ronnenberg from ANC 6A (collectively, the "Mediation Committee").

The Mediator held work sessions with the Mediation Committee on July 5, 2007, at which time the rezoning to C-3-C was discussed as well as the proposed addition of the garden pavilion and the reduction of height along 2nd Street, at the corner of 3rd and H Streets, and at the northwest corner. The Applicant then met with the Office of Planning and the Mediator on July 27, 2007, to review the mediation process.

On August 15, 2007, the Applicant met with the landowners of Square 752 along with members of the Mediation Committee. At this work session, the community expressed initial agreement on the proposed height for the façade along H Street and the reduction in height of the garden pavilion to 45 feet. At this session, the Applicant agreed to dedicate the alley on the eastern side of the project – in place of the proposed easement – to create a 20-foot public alley for use by the owners of property within Square 752. This last formal meeting of the Mediation Committee resulted in general agreement on some issues related to the design.

Throughout the mediation process, the Applicant and the Mediation Committee have worked intensively, with open communication and dialog through the mediator. The project has been reviewed and refined many times between each of the formal meetings of the Mediation Committee. The Applicant believes that project set forth herein responds to the comments and issues raised by the Mediation Committee and members of the community.

III.

REVISED DESIGN OF THE PROJECT

As a result of the mediation process, the project has been further refined and articulated in such a way as to fit well within the community in which it sits. The revisions to the project since the Applicant's Supplemental Modified Prehearing Submission filed in April 2007 are set forth below. These changes impact the massing, façade and architectural treatment, while the use program has stayed generally consistent.

A. H Street Gateway

The highest portion of the project is located at the northwest corner of the Site, addressing the larger scale of H Street at the Hopscotch Bridge and the 110-foot Senate Square Tower project across H Street. Together, these two buildings will form a gateway entrance to the H Street, NE corridor. The massing of the Capitol Place gateway tower results from the concern of the community that all elements of the project remain consistent with the building heights that were established in the H Street Design Guidelines. The tower has been reduced in height and is now proposed to have a maximum height of 90 feet, with eight floors rising above the H Street Overpass, as shown on the height diagram attached as Exhibit A. The maximum height based on the zoning measuring point will be 100 feet, with a maximum of ten stories from the adjacent grade.

In the updated design, window openings span two or more floors, giving the building a vertical appearance and reducing its apparent massing. The scale has

been further reduced by reducing the length of the tower element along 2nd Street and moving this mass away from the residential neighborhood to the south. The result is that the tower's height fronts primarily on H Street.

To bring symmetry and scale to the gateway, the tower has been capped with an architectural tower to further extend the height of the corner, approximately 18 feet above the roof. The tower element will serve as a distinct architectural element that will mark the entrance to the H Street neighborhood along with the Senate Square Tower across the H Street overpass.

B. H Street Façade

The building façade has been updated to be more consistent with the H Street NE Development and Design Guidelines. The mass is broken down into a series of vertical elements that help reduce the overall mass of the building. The H Street elevation has been altered so that the building is built to the property line, treating the H Street Overpass (known as the Hopscotch Bridge) as if it were a street on a hill. The building's base will be defined by a darker masonry material that will step up with the incline of the bridge. Prior designs were set back due to a maintenance easement controlled by the District Department of Transportation ("DDOT"). The Applicant has been working with DDOT with the assistance of the Office of Planning, to obtain permission for the building to sit within that easement area.

C. 3rd Street

As the building approaches the residential community on 3rd Street, the building steps down from the nine-story portion fronting H Street to a five-story element that defines the corner and creates a transition to the smaller scale residential neighborhood. At the southeastern boundary of the Site at 3rd Street, a three-story infill building completes the transition to the low-rise townhouses along 3rd Street.

The existing townhouses located on 3rd Street were designed as a set of buildings forming a completed symmetrical composition. The new infill building is recessed from the property line by approximately fifteen feet to create a clear separation from the original townhouses and to maintain the integrity of the original symmetrical design.

D. 2nd Street

The corner of 2nd and G Streets is built to a maximum height of 65 feet to anchor the corner. More textured brick detailing was added to the façade to be consistent with the details of the older existing residential buildings in the neighborhood. The center portion of the building along 2nd Street was reduced in height by one entire floor, resulting in a maximum height of 55 feet. This portion of the building consists of a series of glass bays that respond to the context of Station Place, immediately across the street and the context for this portion of the project. The in-fill areas are brick masonry with more traditional punched openings. These

areas are also set back at the top level to reduce the perceived scale and to create a distinction from the taller portions of the project at each corner of the Site.

E. Roof Structures

In an effort to accommodate the roof structures within the revised design, flexibility is needed from Sections 411 and 770.6 of the Zoning Regulations. At the corner of H and 2nd Streets, the roof structure has a maximum height of eighteen feet, stepping down to fourteen feet. The eighteen-foot portion of the roof structure is also contained within the tower element screen wall so that the appearance of the roof structure is minimized with that treatment as well as the reduced height at its southern end.

In addition to the flexibility needed from the walls of equal height requirement, the Applicant also seeks flexibility from the setback requirements. The roof structure does not meet the required 1:1 set back along 2nd Street, having a setback of ten feet. However, the tower element screen wall shields the view of the penthouse from 2nd Street, eliminating any impact of the reduced setback. Flexibility is also required for setback of the fourteen-foot portion of this roof structure from the interior wall of the building. Similarly, the mechanical equipment and elevator override at the corner of 2nd and G Streets is not setback 1:1 from the interior wall of the project, which occurs as a result of the reduction in height of the 2nd Street building. Accordingly, the Applicant requests this flexibility for the roof structures in this project.

IV.
UPDATED INFORMATION REGARDING PUBLIC BENEFITS AND
PROJECT AMENITIES

The Applicant set forth details as to the proposed public benefits and project benefits, including providing additional benefits to offer a further enhanced amenities package, in Section III of the Applicant's Supplemental Modified Prehearing Submission. The only modification since that submission has been the Applicant's commitment to officially dedicating the twenty-foot alley on the eastern side of the Site for the benefit of the property owners in Square 752. After dedication of this alley, the land area of the Site will be decreased by 1,918 square feet, resulting in a total land area of 74,795 square feet. Thus, although the design of the project nor the density constructed will not change, the calculated FAR of the project will increase to 5.21 FAR. This FAR is within that permitted for this PUD and thus creates no need for additional flexibility.

In summary, the following amenities and benefits are included as part of this project:

- **Housing and Affordable Housing (11 DCMR §2403.9(f)).**
 - The project includes approximately 302 residential units.
 - The project includes approximately 19 residential units of affordable housing.
- **Environmental Benefits (11 DCMR §2403.9(h)).**
 - The project commits to achieving LEED Silver Certification.

- **Uses of Special Value to the Neighborhood (11 DCMR §2403.9(i)).**
 - Construction of approximately 24,000 square feet devoted to retail use.
 - Dedication of land for twenty-foot alley serving the residents of Square 752.
 - Support the application by Mr. Steven Seiden for the closing of the public alley adjacent to Lot 845, Square 752, behind the north side of the 200 block of G Street, NE. As an owner of property adjacent to the alley to be closed, the Applicant will sign the support petition once all other property owners adjacent to the alley to be closed have signed the support petition. The Applicant shall contribute of a maximum of \$15,000 to beautify the closed alley, including funds for fencing and for grading and seeding the area of the closed public alley.
 - Payment for and installation of sewer infrastructure in the existing and dedicated alley area to allow connection to future alley structures built by the residents of the 3rd Street townhouses.
 - Payment for and installation of improved, more aesthetic fencing along the south side of the H Street Overpass in front of Capitol Place.
 - Provide a public stairway and sidewalk from the H Street overpass to 2nd Street on Capitol Place property.

- Funding of two micro-grant programs for the community:
 - \$150,000 (plus an additional 10% for the administrative fee being given to the administrator of the program) for property owners within Squares 752, 753, 777 and 778 to make repairs and improvements to the portions of their homes which are within public space or viewed from public space.
 - \$50,000 for Square 752 property owners to make energy efficient upgrades to their homes.
- Replacement of the sidewalk, curb and gutter along the west side of 3rd Street between H and G Streets.
- Replacement of the chain link fencing around the parking lot in Square 753.
- Installation of brick and granite pavers and improved lighting under the H Street overpass on the east side of 2nd Street.
- Implementation of a Construction Management Plan.
- Provide the option for Square 752 property owners to purchase a membership for access to the health club at Capitol Place.
- Provide the option for community residents to rent or purchase parking spaces in Capitol Place garage, subject to availability and with preference being given to Square 752 property owners.
- Contribution of \$150,000 to H Street Main Street.

- **Transportation Management Measures (11 DCMR §2403.9(c)).**
 - Inclusion of dedicated Zip Car parking space(s) in parking garage.
 - Discounted membership for the Zip Car program and issuance of Smartcard metro passes for initial purchasers in the project.
- **Employment and Training Opportunities (11 DCMR §2403.9(e)).**
 - Commitment to LSDBE and First Source agreements.

In addition, the Applicant continues to maintain the two amenities which were previously reclassified as mitigation. Specifically, although the properties involved in this application are not included within a historic district nor are the properties designated as historic structures, they could be considered as potentially eligible structures. As mitigation, however, the Applicant has agreed to survey and document those potentially eligible structures to be demolished within the PUD Site. In addition, the Applicant has agreed to fund a professional survey of properties for inclusion in a possible future extension of the Capitol Hill Historic District, such properties being located within the twenty-four blocks comprised of 2nd to 14th Streets, NE, and F to H Streets, NE, not including the Site or properties within the H Street Overlay.

V. **CONCLUSION**

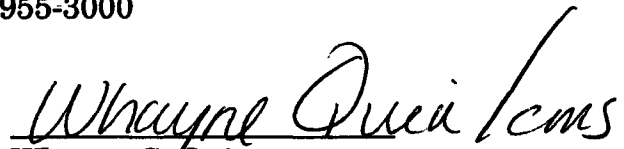
For the foregoing reasons, the Applicant submits that the PUD plan meets the standards of Chapter 24 of the Zoning Regulations; is consistent with the purposes and intent of the Zoning Regulations and Zoning Map; is consistent with

the land use objectives of the District of Columbia; will enhance the health, welfare, safety and convenience of the citizens of the District of Columbia; is consistent with the H Street Plan; satisfies the requirements for approval of a consolidated PUD; provides significant public benefits and project amenities; advances important goals and policies of the District of Columbia and, therefore, should be adopted by the Zoning Commission. Accordingly, the Applicant requests that the Zoning Commission approve the PUD application and the concurrent change in zoning for a portion of the project to C-3-C.

Respectfully submitted,

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