

BEFORE THE DISTRICT OF COLUMBIA
ZONING COMMISSION

3RD & H STREET, N.E.

PUD
MODIFICATION
APPLICATION

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STATEMENT OF THE APPLICANT

STEUART H STREET, LLC

AUGUST 31, 2009

Holland & Knight LLP

ZONING COMMISSION
District of Columbia

CASE NO. 06-013

EXHIBIT NO. 4

ZONING COMMISSION
District of Columbia
CASE NO. 06-01B
EXHIBIT NO. 4
EXHIBIT NO. 4

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Zoning Commission Order No 06-01	A
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Notice of Intent to File, Certificate of Service, and List of Property Owners within 200 Feet of Project	E

I. INTRODUCTION

Steuart-H Street LLC (the "Applicant"), through undersigned counsel, submits this statement and attached documents in support of its application for modification of an approved planned unit development in conformity with Chapter 24 of the District of Columbia Zoning Regulations (Title 11, DCMR) before the Zoning Commission for the District of Columbia

The subject property is located between 3rd, 4th, H and I Streets, NE , Washington, D.C., at Lot 54 in Square 776, and has a land area of 60,870 square feet The property is zoned G-2-B and is located within the H Street, NE Neighborhood Commercial Overlay District

Pursuant to Z C. Order No 06-01 issued October 12, 2007, the Zoning Commission approved a planned unit development and related map amendment to rezone approximately 9,072 square feet of the Site from the G-2-A to the G-2-B District at the site to allow construction of a mixed-use development containing approximately 228 apartment units and approximately 46,579 square feet of retail and service uses, including a grocery store A copy of Z C. Order No 06-01 is attached hereto as Exhibit A. The approved building would be built to a maximum height of ninety feet and would have a floor area ratio ("FAR") of 4.8, or approximately 287,930 square feet of gross floor area The approved project was designed to include a total of approximately 399 parking spaces Pursuant to Z C. Case No 06-01A currently pending with the Zoning Commission, the Applicant is seeking a two year extension of the approved PUD

The Applicant seeks approval of this modification as an alternative to the approved PUD, such that if the modification is approved, the Applicant may proceed with either the original approved plans or with the alternative plans This flexibility is being requested in light of the current market and real estate financing conditions The requested alternative would eliminate the top two stories of the building and, as reconfigured, the maximum building height would be reduced from 90 feet to 75 feet As a result, the number of residential units in the proposed project would be

reduced from 228 to 212, and the total gross floor area would decrease from 287,930 square feet (4.8 FAR) to approximately 250,160 square feet (approximately 4.2 FAR). Finally, the number of off-street parking spaces would be reduced from 399 to 270 to reflect the reduction in residential units in the building and the elimination of one level of the underground garage. In all other respects, the proposed alternative project will be substantially consistent with the conditions set forth in Zoning Commission Order No. 06-01. The gross floor area of the grocery store in the proposed alternative would be approximately 41,000 square feet, which is consistent with what is shown on the approved plans. A copy of the proposed Alternative Architectural Plans and Drawings ("Revised Plans") is attached hereto as Exhibit B.

As set forth below, this statement and the attached documents meet the filing requirements for a PUD application.

II PROJECT DESCRIPTION

The proposed Project, as modified, will continue to be a mixed use development. The building will consist of ground floor grocery store and other retail with residential use on the floors above. Underground parking will provide 270 parking spaces, sufficient to supply the commercial tenants and customers, residents and visitors without creating "overflow" parking in the nearby residential neighborhoods.

The main entrance to the residential building will continue to be located at the center of the block on H Street. The main entrance to the grocery store, consistent with the approved plan, will be at the corner of 3rd and H Streets. There will be separate entrances to the other retail uses on the east half of the block on H Street, as before. The entrance to the parking garage and loading facilities for the grocery store in the alternative design will be located off 3rd Street in the same location as originally approved.

A. Site Location and Description

1 The Site

The Site consists of Lot 54 in Square 776. The Site is located between 3rd, 4th, H and I Streets, NE. The total land area of the Site is approximately 60,870 square feet.

The Site is located approximately one-third of a mile from the entrance to the Union Station Metrorail Station, and is adjacent to H Street, which is the site of a new streetcar line presently under construction and a major through street with three Metrobus routes. The Generalized Land Use Map of the Comprehensive Plan designates the Site as mixed use for residential and commercial, and the Policies Map designates it as a Development Opportunity Area.

2 Land Use and Zoning of Surrounding Area

3rd & H Street is prominently located at the western edge of the proposed H Street NE. Neighborhood Commercial Overlay District (the "H Street Overlay"). The Site is zoned HS/C-2-B.

Directly to the west across 3rd Street is Senate Square, a large residential development on the site of the former Capital Children's Museum, which is 110 feet in height.

Further west of the Site, there is the H Street Overpass (a/k/a Hopscotch Bridge) and the railroad tracks leading to Union Station. Southwest of the Site across H Street, is the proposed Capitol Place mixed use project and the Station Place office project which is being built in three phases and is approved with a maximum height of 121 feet. Directly south of the site across H Street is a mix of vacant land and small structures used for retail purposes. East of the Site, across 4th Street, there is a residential area zoned R-4. Further to the east along H Street, there is a commercial corridor zoned C-2-B. North of the Site, across the alley and Eye Street, there is a mix of residential, commercial and institutional uses. At the corner of 4th and Eye Streets is 318 Eye Street, a planned unit development project with approximately 160,000 sq. ft., 140 residential units and a maximum building height of 65 feet.

B. Project Design

The design of the proposed alternative scheme reflects the same architectural vocabulary and massing of the approved PUD. The façade details have been adjusted to reflect the removal of two residential floors and the reduction in the maximum building height from 90 feet to 75 feet. The mezzanine level in the grocery store has been eliminated, requiring removal of the clerestory from this ground floor retail space. Additionally, minor adjustments have been made to the interior courtyard configuration, with two skylights removed. A pergola has been added to the courtyard to enhance the architectural quality of the space. The size of the roof terrace has been reduced from approximately 10,000 square feet to approximately 7,500 square feet. Finally, the façade treatment above the parking entrance on H Street has been refined and the two-story oriel substituted with a flat front consistent with the architectural vocabulary of the recently restored Landmark Lofts condominium project located directly across 3rd Street.

In all other respects, the proposed building will continue to act as the western gateway to the H Street Commercial Corridor, offering a design of substantial quality and significant character consistent with the prominence of this location. The 3rd & H Street project will signal its gateway status through the use of expressive architectural embellishments and entrance features at this important intersection. By locating the grocery entry at this corner, with its concomitant signage, and activated streetscape, the significance of this corner as a corridor entry point and destination will be considerably enhanced. Overall, the project as revised continues to integrate sympathetically with the existing structures along H Street, as well as the residential buildings that share the same square and surrounding neighborhood.

C. Tabulation of Development Data

	Approved PUD	Proposed Modifications
Gross Floor Area	287,930 s f (maximum)	250,160 s f (maximum)
TOTAL FAR	4.8	4.2
Height	90 ft	75 ft
Lot Occupancy	82%	80%
Rear Yard	15	15
Side Yard	None	None
Residential Units	228 units	212 units
Affordable Housing/Inclusionary Zoning	10% of the increase in residential GFA (i.e., approx 10,067 sq ft)	8% of residential GFA (i.e., approx 16,295 sq ft)
Parking	Residential 247 spaces (1.1/unit) Retail 152 spaces (3.5/1000 sf)* Total 399 spaces *over initial 3000 sf	Residential 146 spaces (0.7/unit) Retail 124 spaces (3.07/1000 sf)* Total 230 spaces *over initial 3000 sf
Loading	<u>Retail</u> Berths 2 @ 55 feet Service 1 @ 20 feet Platform 2 @ 200 s f <u>Residential</u> Berths 1 @ 55 feet Service 1 @ 20 feet Platform 1 @ 200 s f <u>TOTAL</u> Berths 3 @ 55 feet Service 2 @ 20 feet Platform 3 @ 200 s f	NO CHANGE

D. Flexibility Under the PUD Guidelines

The PUD process was created to allow greater flexibility in planning and design than may be possible under conventional zoning procedures. Like the approved PUD, the proposed modifications will also require deviations from the roof structure regulations that prohibit multiple

roof structures, require a roof structure to be set back a distance equal to its height, and require walls of equal height

Due to the narrowness of the building wings and the requirements of the mechanical systems, as shown on the Roof Plan included as Sheet A05 of the Revised Plans, the project includes 3 roof penthouses, and some of the penthouses are not able to meet the required setback. Moreover, in an effort to reduce their visibility, some of the roof structures do not have walls of equal height. The Zoning Commission granted similar roof structure relief in approving the initial PUD and Approved Plans.

Finally, the Applicant requests flexibility from certain provisions of the H Street NE Neighborhood Commercial Overlay. First, section 1324.2 of the Zoning Regulations provides that buildings must be designed and built such that not less than 75% of the streetwall(s) to a height of not less than 25 feet must be constructed to the property line abutting the street right of way, and that buildings on corner lots must be constructed to both property lines abutting public streets. However, in order to provide a four foot setback from the H Street right of way, the Applicant seeks relief from the provisions of section 1325.1. Second, the Applicant requests flexibility from section 1324.11, which requires commercial entrances every 40 feet. However, instead of providing the eight entrances required, the Applicant proposes to provide four entrances due to the size and location of the proposed grocery store's footprint in the same locations as originally approved. As indicated in Z.C. Order No. 06-01, the Zoning Commission granted the same flexibility for the approved project.

III THE PROJECT MEETS THE STANDARDS OF THE ZONING REGULATIONS AND PUD REQUIREMENTS

A. PUD Process is Appropriate Mechanism for the Project

The PUD process is the appropriate mechanism for guiding the development of the Site. By doing so, the Applicant consolidates the review of the Project within the purview of the Zoning Commission while at the same time providing opportunities for input from various agencies and the community. The Applicant has engaged the community, the ANC, the Department of Transportation, and the Office of Planning in productive discussions regarding the Project. Through the PUD process, all of these interested parties will have further opportunities for participation to fulfill the District's planning objectives for this area. Thus, the use of the PUD process gives the community and District agencies an opportunity to work with the Applicant to ensure a well planned development. Furthermore, the PUD will lock in the Applicant's commitments and ensure that the approved development with public benefits and project amenities will be completed for the area.

B. PUD Requirements Under Chapter 24 of the Zoning Regulations

The proposed modifications to the approved PUD will continue to meet the area requirements under section 2401 1(c), and the height and FAR provisions of sections 2405 1 and 2405 2. The revised project will continue to have a positive impact on surrounding area and will not have an unacceptable impact on the operation of city services and facilities. In fact, 3rd & H Street will have a positive impact on the immediate area. The Project constitutes appropriate commercial and residential development in an area designated by the Comprehensive Plan as a Development Opportunity Area. The revised PUD will continue to bring new housing stock, retail development and a grocery store to this developing area of H Street. The design complements the moderate density commercial area to the east of the Site and the step down in height of the building is the

appropriate scale for the residential neighborhood across 4th Street and across the alley to the north, particularly considering the large setback from those residences and the open courtyards that are planned for the interior of the Site

Moreover, the PUD modifications will not have an adverse impact on light and air. As stated above, 3rd & H Street incorporates large open courtyards at the interior of the Site and includes reduced height for the portions of the building near the residential community to the north and east. The building has been set back four feet from the property line on H Street to provide an expanded pedestrian environment along the entire length of the block. Further, the height of the building has been reduced from 90 feet to 75 feet, thereby reducing the bulk of the project.

Finally, as discussed below, the Project modifications are not inconsistent with the Comprehensive Plan.

C Public Benefits and Project Amenities

The PUD guidelines require the Zoning Commission to evaluate specific public benefits and project amenities of a proposed project. Public benefits are defined as “superior features of a proposed planned unit development that benefit the surrounding neighborhood or the public in general to a significantly greater extent than would likely result from development of the site under the matter of right provisions of this title.” 11 DCMR § 2403.6 “A project amenity is one type of public benefit, specifically a functional or aesthetic feature of the proposed development, that adds to the attractiveness, convenience or comfort of the project for occupants and immediate neighbors.” 11 DCMR § 2403.7 Furthermore, in deciding a PUD application, the Zoning Commission is required to “judge, balance and reconcile the relative value of the project amenities and public benefits offered, the degree of development incentives requested, and any potential adverse effects according to the specific circumstances of the case.” 11 DCMR § 2403.8

As proposed in the modified plans, the Applicant is requesting approval of approximately 250,160 square feet of development or 4.2 FAR. The development falls well within the parameters of the C-2 B District and is only approximately 0.7 FAR over the matter of right Far permitted in the C-2 B District

Public benefits and project amenities may be exhibited in a variety of ways and may overlap with furthering the policies and goals of the Comprehensive Plan. As revised, the location of new mixed use development in the H Street area as well as the proposed on site amenities continue to provide significant benefit to the neighborhood and the District as a whole and satisfy the requirements of Chapter 24

1 Urban Design, Architecture, Landscaping and Open Space (Section 2403.9(a))

The Applicant has presented an exceptional and appropriate architectural design for the revised Project. The modified design provides a number of features that will benefit both the H Street Corridor and the surrounding residential neighborhoods. These benefits include an architectural design that is both fresh and engaging, while seeking to complement into the existing contextual setting in both form and materials. Particular attention has been paid to creating an active, urban retail streetscape, celebratory architectural forms for the corner at 3rd & H Streets and the residential entrance on H Street, and an overall sculpting of the buildings massing in concordance with surrounding neighborhood. For the entire length of the H Street front, the building has been set back from the property a typical distance of four feet in order to increase the width of the sidewalk. This additional width will significantly enhance the pedestrian experience by reducing congestion and allowing for more open space.

The building facades continue to be designed in a style that complements and respects the adjacent buildings, particularly those with a distinct historic character. The facades on the principal street fronts of 3rd and H Streets employ a framing armature of brick and masonry piers

complemented with substantial glazed openings. The character of the fenestration differentiates between the retail and residential floors, allowing for a unique expression of those two uses. The design includes architectural embellishment at the 3rd and H Street corner to accentuate the significance of that location as a gateway to the commercial opportunities along H Street and beyond. The project also includes substantial improvements to the streetscape and adjacent alleys. These improvements will incorporate new paving for the sidewalks, new street lighting fixtures, new and replacement tree boxes, bike racks and trash receptacles in conjunction with the capital improvements plan currently under construction pursuant to the H Street Great Street initiative.

2 Site Planning and Efficient Economical Land Utilization (Section 2403 9(b))

Like the approved PUD, the revised project is designed such that its primary bulk is on H Street, away from the nearby residential community. Significant improvements to 3rd, 4th and H Streets will continue to be provided, as well as improvements to the remaining alley system in Square 776. The modified project is set back from the property line along the alley so that the alley is effectively widened. In most areas, the available passageway is more than doubled due to the setback of the building. The proposed four foot setback at H Street also allows for a wider sidewalk and easier pedestrian passage.

3 Transportation Features (Section 2403 9(c))

The Project offers several transportation management measures and is an excellent example of "Smart Growth." First, 3rd & H Street is located along three bus routes and is less than one third of a mile from the Union Station Metrorail Station. 3rd & H Street's location next to Union Station provides significant opportunities for public transportation use with Metrorail, Metrobus and local and regional trains all serving Union Station. This proximity will result in a significant proportion of site trips being made by mass transit or other non passenger car modes. Moreover, as a part of the Great Streets Initiative, streetcar tracks are currently being constructed on H Street, and

the proposed development will help to increase residential density and shopping opportunities along the streetcar lines. Second, the project will include a parking garage that will accommodate approximately 270 cars. Third, the eastern branch of the Metropolitan Branch Trail, which connects Union Station and Takoma Park and provides access to Capitol Hill, is only two blocks to the west. Thus, as the Zoning Commission previously found, the project will not adversely impact the traffic situation for the area.

4 Special Value to the Neighborhood (Section 2403.9(i))

The modified PUD will continue to add special value to the surrounding neighborhood by bringing a grocery store and appropriate retail development that will serve the community. Grocery stores are needed within the city and benefit the community.

5 Employment and Training Opportunities (Section 2403.9(e))

The 3rd & H Street revised project will also promote residential, retail and commercial development at an appropriate location that will add to the economy of the District as well as provide expanded employment opportunities for District residents. The Applicant renews its commitment to work with the Department of Employment Services (DOES) to execute a First Source Employment Agreement in order to achieve the goal of utilizing District residents for at least fifty-one percent of the jobs created by 3rd & H Street. The Applicant's consultants will use DOES as its first source for recruitment, referral and placement of new hires for employees whose jobs are created by 3rd & H Street. Likewise, the Applicant also commits to make a bona fide effort to utilize Certified Business Enterprises certified by the D.C. Department of Small and Local Business Development ("DSLBD") in order to achieve, at a minimum, the goal of thirty-five percent participation in the contracted development costs in connection with design, development, construction, maintenance and security of 3rd & H Street. The Applicant will use the DSLBD as the primary referral sources for Certified Business Enterprises.

5 Housing (Section 2403 9(f))

The revised Project will create additional housing stock as encouraged by the City. Approximately seventy percent of the units will be one bedroom units, approximately six percent of the units will be one bedroom and den units, approximately eighteen percent of the units will be two bedroom units and approximately six percent of the units will be studio units. The Project will comply with the Inclusionary Zoning requirements by providing approximately eight percent of the gross floor area devoted to residential use as affordable units to households making no more than eighty percent of the area median income. Although the gross floor area of the project is decreasing from that approved pursuant to Z.C. Case No. 06-01, the amount of gross floor area dedicated to affordable units is increasing under the revised design.

6 Other Public Benefits and Project Amenities (Section 2403 9(j))

The Project provides for economic development in an area designated as a Development Opportunity area. The Applicant's proposal to locate a major mixed use development with a major grocery store will give a much needed boost to the economic development of the area.

IV
COMPLIANCE WITH COMPREHENSIVE PLAN

The revised PUD advances the purposes of the Comprehensive Plan, is consistent with the Future Land Use Map, complies with the guiding principles in the Comprehensive Plan, and furthers a number of the major elements of the Comprehensive Plan.

A. Purposes of the Comprehensive Plan

The purposes of the Comprehensive Plan are six fold: (1) to define the requirements and aspirations of District residents, and accordingly influence social, economic and physical development, (2) to guide executive and legislative decisions on matters affecting the District and its citizens, (3) to promote economic growth and jobs for District residents, (4) to guide private and public development in order to achieve District and community goals, (5) to maintain and enhance

the natural and architectural assets of the District, and (6) to assist in conservation, stabilization, and improvement of each neighborhood and community in the District D.C. Code §1-245(b) (§ 1-301.62)

As discussed in more detail below, the revised PUD significantly advances these purposes by promoting the social, physical and economic development of the District through the provision of a high quality mixed use development that will increase the housing supply, add new retail uses, create additional employment opportunities, and generate significant tax revenues for the District

B Future Land Use Map (Adopted Pursuant to The Comprehensive Plan Amendment Act of 2006 (D.C. Law 16-300, March 8, 2007))

The District of Columbia Comprehensive Plan Future Land Use Map designates the Site in the mixed use, medium-density residential and moderate density commercial land use category. The medium-density residential designation is used to define neighborhoods or areas where mid-rise apartment buildings are the predominant use. Pockets of low and moderate density housing may exist within these areas. The medium density residential designation also may apply to taller residential buildings surrounded by large areas of permanent open space. The R-5B and R-5C Zone districts are generally consistent with the Medium Density designation, although other zones may apply. The moderate density commercial designation is used to define shopping and service areas that are somewhat more intense in scale and character than the low density commercial areas. Retail, office, and service businesses are the predominant uses. Areas with this designation range from small business districts that draw primarily from the surrounding neighborhood to larger business districts used to draw primarily from a broader market area. The corresponding zone districts are generally C-2A, C-2B, and C-3A, although other districts may apply.

The C-2B zoning for the Site approved by the Zoning Commission, as well as the proposed modifications to the approved PUD, are consistent with the Future Land Use Map's designation of the Subject Property.

C. Compliance with Guiding Principles of the Comprehensive Plan

The project is consistent with many guiding principles in the Comprehensive Plan for managing growth and change, creating successful neighborhoods, increasing access to education and employment, connecting the city, and building green and healthy communities

1 Managing Growth and Change

The guiding principles of this element are focused on ensuring that the benefits and opportunities of living in the District are equally available to everyone in the city. The project is fully-consistent with a number of the goals set forth in this element. Specifically, the project will help to attract a diverse population with the inclusion of a mix of housing types for households of different sizes and incomes (§§217.2 and 217.3). The Applicant's proposal to develop a significant amount of residential and retail uses is also consistent with the Comprehensive Plan's acknowledgement that the growth of both residential and non-residential uses is critical, particularly since non-residential growth benefits residents by creating jobs and opportunities for less affluent households to increase their income (§217.4). In addition, the Zoning Commission found that the approved project will help to stabilize and improve the commercial character of the neighborhood, will respect and improve the physical character of the District through the construction of a well-planned and carefully designed project, and that the project's design will enhance the prominence of the H Street corridor and will complement the neighboring residential areas. See Z.C. Order No. 06-01, Finding of Fact No. 24 (a) and (b).

2 Creating Successful Neighborhoods

The guiding principles for creating successful neighborhoods include both improving the residential character of neighborhoods and encouraging commercial uses that contribute to the neighborhood's character and make communities more livable (§§218.1 and 218.2). In addition, the production of new affordable housing is essential to the success of neighborhoods (§218.3).

Another guiding principle for creating successful neighborhoods is getting public input in decisions about land use and development, from development of the Comprehensive Plan to implementation of the plan's elements (§218.8). The proposed development furthers each of these guiding principles with the construction of market rate and affordable housing, as well as commercial uses. In addition, the Applicant obtained the support of Advisory Neighborhood Commission 6C and local community groups for the approved PUD, and will continue to work with the ANC and community groups ensure that the revised development continues to provide a positive impact to the immediate neighborhood.

3 Increasing Access to Education and Employment

The Increasing Access to Education and Employment element includes a number of policy goals focused on increasing economic activity in the District, including increasing access to jobs by District residents (§219.1), encouraging a broad spectrum of private and public growth (§219.2), supporting land development policies that create job opportunities for District residents with varied job skills (§219.6), and increasing the amount of shopping and services for many District neighborhoods (§219.9). In approving the initial PUD, the Zoning Commission found that the project will provide additional jobs to strengthen the economic health of the area, and that the project will take advantage of its location along major Metrobus routes and its proximity to Union Station and Metrorail.

4 Connecting the City

The proposed development will help to implement a number of the guiding principles of this element. As shown on the revised plans, the access points for the required parking and loading facilities have been designed to appropriately balance the needs of pedestrians, bicyclists, transit users, autos and delivery trucks as well as the needs of residents and others to move around and

through the city *Id*. Moreover, the design of the building's frontage along H Street will also help to reinforce and improve one of the "great streets" of the city (§220.3),

5 Building Green and Healthy Communities

The proposed development is fully-consistent with the guiding principles of the building green and healthy communities element and will incorporate sustainable site, water efficiency, energy optimization, and other measures to help reduce harmful effects on the natural environment (§221.2 and 221.3). In addition, a Conceptual LEED Scorecard indicating potential sustainability features to be incorporated into the project is included as Sheet A18 of the revised plans.

D. Land Use Element

For the reasons discussed below, the project supports the following policies of the Land Use Element:

- 1 Policy LU-1.2.2 Mix of Uses on Large Sites,
- 2 Policy LU-1.3.4 Design to Encourage Transit Use,
- 3 Policy LU-2.1.3 Conserving, Enhancing, and Revitalizing Neighborhoods,
- 4 Policy LU-2.2.4 Neighborhood Beautification,
- 5 Policy LU-2.3.2 Mitigation of Commercial Development Impacts, and
- 6 Policy LU-2.3.3 Buffering Requirements

The project, which includes residential and retail uses on a large site, is consistent and compatible with adjacent uses and will provide a number of benefits to the immediate neighborhood and to the city as a whole. In addition, the Zoning Commission found that the approved project provides a mixed-use development with a superior design that will foster the continued growth of the District's economy and employment base while providing additional residential stock for its citizens. See Z.C. Order No. 06-01, Finding of Fact No. 25(e). In addition, as shown on Sheet L01 of the revised plans, the project incorporates lighting, trees, paving and site furnishings adjacent to

the site on H Street, and includes ground floor retail uses that will activate and animate the street frontages. The project also includes a number of elements designed to serve as buffers, including landscaping, height stepdowns and set backs, and other architectural and site planning measures that avoid potential conflicts. Finally, both the approved and revised project have been designed such that they do not result in unreasonable or unexpected traffic, parking, litter, view obstruction, odor, noise, or vibration impacts on surrounding residential areas.

E. Transportation Element

The Subject Property is located on H Street, NE, which, as shown on Map 4.2 of the Comprehensive Plan, has been identified as a major transit corridor able to support premium transit service (§407.13). In addition, H Street, NE has been identified as one of the locations for new transit infrastructure, including bus rapid transit and, as discussed above, a streetcar line to provide travel options, better connect the city, and improve surface-level public transportation (§407.23). Consistent with Policy T-1.1.4 Transit-Oriented Development, the project is an example of transit-oriented development and includes various transportation improvements, including the construction of new mixed-uses along a major transportation corridor, bike storage areas, and sidewalk improvements. In addition, consistent with Policy T-2.2.2 Connecting District Neighborhoods, the project will help to encourage improved connections between District neighborhoods due to its location and convenient access to Metrorail, streetcar and bus routes. The project architect has carefully considered and integrated bicycle and pedestrian planning and safety considerations in the development of the project, and the project includes secure bicycle parking and bike racks as amenities within the development that accommodate and encourage bicycle use. See Policy T-2.3.1 Better Integration of Bicycle and Pedestrian Planning, and Action T-2.3-A. Bicycle Facilities.

F. Housing Element

The overarching goal of the Housing Element is to "[d]evelop and maintain a safe, decent, and affordable supply of housing for all current and future residents of the District of Columbia " 10 DCMR § 501.1 The proposed project will help achieve this goal by advancing the following policies

- 1 Policy H-1 1 1 Private Sector Support - The project helps to meet the needs of present and future District residents at locations consistent with District land use policies and objectives Specifically, the project will include 212 residential units which represents a substantial contribution to the District's housing supply The provision of new housing at this particular location, moreover, is fully consistent with the District's land use policies
- 2 Policy H-1 1 4 Mixed Use Development - The project is consistent with the goals of promoting mixed use development, including housing on commercially zoned land, particularly in neighborhood commercial centers, along Main Street mixed use corridors, and around appropriate Metrorail stations The project will contain retail and residential uses on commercially zoned land along a Main Street Mixed Use Corridor
- 3 Policy H-1 1 5 Housing Quality - Eight percent of the residential uses will be devoted to affordable housing Consistent with this policy goal, the affordable units will meet the same high-quality architectural standards provided for the market-rate housing and will be indistinguishable from market rate housing in their exterior appearance
- 4 Policy H-1 2 3 Mixed Income Housing - The proposed development is mixed-income and includes both market-rate and affordable housing units Thus, the project will further the District's policy of dispersing affordable housing throughout the city in mixed-income communities, rather than concentrating such units in economically depressed neighborhoods

G. Environmental Protection Element

The Environmental Protection Element addresses the protection, restoration, and management of the District's land, air, water, energy, and biologic resources This element provides policies and actions on important issues such as energy conservation and air quality, and specific policies include the following

1 Policy E-1 1 1 Street Tree Planting and Maintenance - encourages the planting and maintenance of street trees in all parts of the city;

2 Policy E-1 1 3 Landscaping - encourages the use of landscaping to beautify the city, enhance streets and public spaces, reduce stormwater runoff, and create a stronger sense of character and identity;

3 Policy E-2 2 1 Energy Efficiency - promotes the efficient use of energy, additional use of renewable energy, and a reduction of unnecessary energy expenses through mixed-use and shared parking strategies to reduce unnecessary construction of parking facilities,

4 Policy E-3 1 2 Using Landscaping and Green Roofs to Reduce Runoff - calls for the promotion of tree planting and landscaping to reduce stormwater runoff, including the expanded use of green roofs in new construction, and

5 Policy E-3 1 3 Green Engineering - has a stated goal of promoting green engineering practices for water and wastewater systems

As discussed in both the Environmental Benefits and Building Green and Healthy Communities sections of this statement, the project includes street tree planting and maintenance, landscaping, energy efficiency, methods to reduce stormwater runoff, and green engineering practices, and is therefore fully consistent with the Environmental Protection Element

H. Economic Development Element

The Economic Development Element of the Comprehensive Plan indicates that the addition of 125,000 jobs during the next 20 years will create the demand for a number of uses, including real use, in a variety of settings with a variety of building types (§706 1)

The Economic Development Element also includes a number of policy recommendations regarding the promotion of retail development. The project will help to implement Policy ED-2 2 3 Neighborhood Shopping since the development includes the creation of additional shopping opportunities in a neighborhood commercial district that will help to better meet the demand for basic goods and services

I. Urban Design Element

The goal of the Comprehensive Plan's Urban Design Element is to

[e]nhance the beauty and livability of the city by protecting its historic design legacy, reinforcing the identity of its neighborhoods, harmoniously integrating new construction with existing buildings and the natural environment, and improving the vitality, appearance, and security of streets and public spaces.

10 DCMR § 901.1 In keeping with this objective, the Applicant has designed the project to complement the character of the surrounding neighborhood. For example, consistent with Policy UD-2 1 3, the project incorporates variations in height, massing, and architectural quality to ensure that the project respects the scale of adjacent residential neighborhoods (§909 10). In addition, the project includes attractive, visually-interesting and well-designed building facades that eschew monolithic or box-like forms, or long blank walls which detract from the human quality of the street. See Policy UD-2 2 5, §310 12. As shown on the proposed landscape plan, the project is also consistent with the improved streetscape design and sidewalk management goals of Policy UD-3 1 1 and Policy UD-3 1 2.

J. Capitol Hill Area Element

The project is consistent with and will help to implement a number of the policy goals identified in the Capitol Hill Area Element. Policy CH-1 1 3, "Upgrading Commercial Districts," calls for upgrading the major commercial districts of Capitol Hill, including the H Street corridor. (§1608 4). The project is consistent with this objective since the development will include both retail and residential uses which combined will help to activate the H Street corridor. In addition, Policy CH-1 1.4 calls for directing growth in the Capitol Hill Planning Area to commercially zoned land, with a particular emphasis on the H Street/Benning Road corridor (§1608 5). This policy element also provides that mixed-use development combining ground floor retail and upper story residential uses should be supported in this area, along with streetscape improvements that improve visual and urban design qualities and enhance pedestrian, bus, and auto circulation. As discussed herein, the

proposed development is consistent with, and will help to implement these goals. Finally, the Applicant's proposal to incorporate ground-floor retail uses into the development is consistent with Policy CH-2.1.1, which calls for the revitalization of the H Street corridor in a manner that is consistent with the approved 2003 H Street Strategic Development Plan, which recommends the development of new mixed-use projects combining ground floor retail and upper story housing (§1611.6(a)).

K. Compliance with H Street Overlay and H Street N.E. Strategic Development Plan

Pursuant to Section 1320.1(a) of the Zoning Regulations, the Site is located within the H Street Northeast Overlay Housing Sub-district. The H Street NE Strategic Development Plan calls for H Street to become a living corridor with new housing units providing needed support to the corridor retail elements as well as additional "eyes and feet on the street" to improve safety, security, and retail viability. The area from 2nd Street, NE to 7th Street, NE is designated as the Urban Living subdistrict. Its proximity to transit and potential for infill development makes it suitable for primarily residential development. The Plan calls for housing at a higher density with architecture that appropriately marks the entrance to the H Street community. This vision encourages necessary rezoning to optimize proximity to transit, create density to support proposed retail development and permit larger in-fill residential or mixed-use buildings. The Project is consistent with the H Street Plan, and a memorandum prepared by the project architect indicating how the project complies with the H Street NE Development & Design Guidelines will be submitted with the Applicant's prehearing submission.

**V.
AREAS OF FLEXIBILITY**

The Applicant has made every effort to provide a level of detail that conveys the significance and appropriateness of the Project's design for this location while at the same time provide a design

that does not require flexibility from the requirements of the Zoning Regulations. Nonetheless, some flexibility is necessary that cannot be anticipated at this time.

The Applicant requests flexibility in the following areas

1. To vary the location and design of all interior components, including partitions, structural slabs, doors, hallways, columns, stairways, and mechanical rooms, provided that the variations do not change the exterior configuration of the building

2. To vary the location and arrangement of parking spaces, provided that the total is not reduced below the minimum level required by the Zoning Regulations

3. 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 trim, or any other changes to comply with the District of Columbia Building Code or that are otherwise necessary to obtain a final building permit

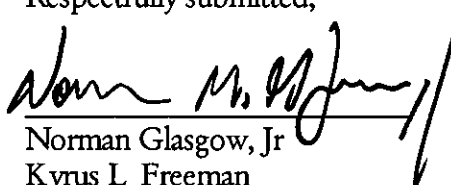
4. To be able to provide a range in the number and mix of residential units between 192 and 232 residential units

5. To vary the distribution and amount of the retail square footage of the project, provided the total retail square footage does not exceed 45,000 square feet

VI. CONCLUSION

For the foregoing reasons, the Applicant submits that the proposed modifications and PUD plan meets the standards of Chapter 24 of the Zoning Regulations and the standards for approval. Accordingly, the Applicant requests that the Zoning Commission approve the proposed PUD, as modified, and as described herein

Respectfully submitted,



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