

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF PLANNING



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Office of the Director

Memorandum

TO: District of Columbia Zoning Commission

FROM: *JLS DC*
Ellen McCarthy, Director
Office of Planning

DATE: November 10, 2006

SUBJECT: Final Report for Square 54 (Boston Properties, KSI Services, Inc., George Washington University) #06-27
Consolidated Planned Unit Development and Map Amendment

APPLICATION

Boston Properties, KSI Services, and The George Washington University (GWU) have petitioned the Zoning Commission to approve their request for a Consolidated Planned Unit Development (PUD) and map amendment from R-5-D to C-3-C for a new high density, mixed-use development on the site of the old GW hospital at Square 54 at Washington Circle. The site is the entirety of Square 54.

SUMMARY RECOMMENDATION

The Office of Planning **recommends approval of the application, subject to approval of the proposed GW campus plan.**

DESCRIPTION OF THE SITE AND SURROUNDING AREA

The proposal sits on an extremely prominent Washington D.C. site at Washington Circle. In addition to the Circle, the square fronts on Pennsylvania Avenue, 23rd Street, 22nd Street, and I Street. The site is at the northern corner of the GWU campus and is integral to both the Foggy Bottom and West End neighborhoods. The square totals 115,715 square feet in area.

Originally developed with residential homes and some stores in the nineteenth century, GWU built a hospital on the property in 1946, and expanded it several times through the 1960s and 1970s. The hospital was demolished in 2004 when a new hospital was constructed across 23rd Street and the site has been vacant for the past two years.

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The site is zoned R-5-D and is surrounded by multiple types of uses and zonings. To the south and southeast of the property is the heart of the GWU campus, zoned R-5-D. East along the Pennsylvania Avenue Corridor are high density commercial buildings zoned C-3-C. To the north and northwest across Washington Circle are mid-scale residential uses zoned R-5-E. Finally, immediately to the west of the property is the new hospital, the other side of which borders the lower scale Foggy Bottom Historic District zoned R-3.

BACKGROUND

Square 54 was identified in the 2000 GWU campus plan for any university or non-university use. GW approached the Office of Planning in late 2004 to discuss the possibility of developing the site for investment purposes. At that time, OP made clear to GW there would be no support for any non-academic uses on Square 54 without a detailed plan showing that GW's academic and student housing needs could be met on the remainder of campus. It was suggested that GW begin a process of meeting with community members. In March 2005, a negotiated planning process was attempted between GW, OP, ANC 2A, and the Foggy Bottom Association (FBA). The mediated negotiation process was abandoned when the FBA withdrew before agreement could be reached on meeting terms.

In early May of 2005, GW and OP cosponsored an Urban Land Institute Panel to examine the redevelopment of Square 54. The panel interviewed stakeholders including representatives of the university, the Foggy Bottom and West End neighborhoods, the business community, and the city government. The panel concluded that a mix of commercial and residential development was the best future use for the site, *provided* that GW could meet its future academic needs within the existing campus boundaries.

In June 2005, GW, OP, and ANC 2A began a series of community meetings to discuss Square 54 and the campus development plan. Four meetings were held between June and September of last year in which the public was given the opportunity to review and comment on iterations of GW's proposed development plan. In November 2005, the ANC passed a resolution withdrawing itself from further discussion on the plan or Square 54.

In July of 2006, the Zoning Commission set down this application for public hearing. During the months of September and October 2006, five public hearings were held on the campus plan and a final hearing is scheduled for November 30, 2006.

PROPOSAL

The proposal on the site is for a high-density mixed use development totaling approximately 867,000 square feet. The development would include 454,000 square feet of office use on the north half of the site accessed from Pennsylvania Avenue and 342,000 square feet of residential apartments on the south side of the site accessed from I Street. The ground floor on all sides of the site would house neighborhood retail uses including a proposed 45,000 square foot grocery store below grade and accessed at the corner of 22nd and I Streets.

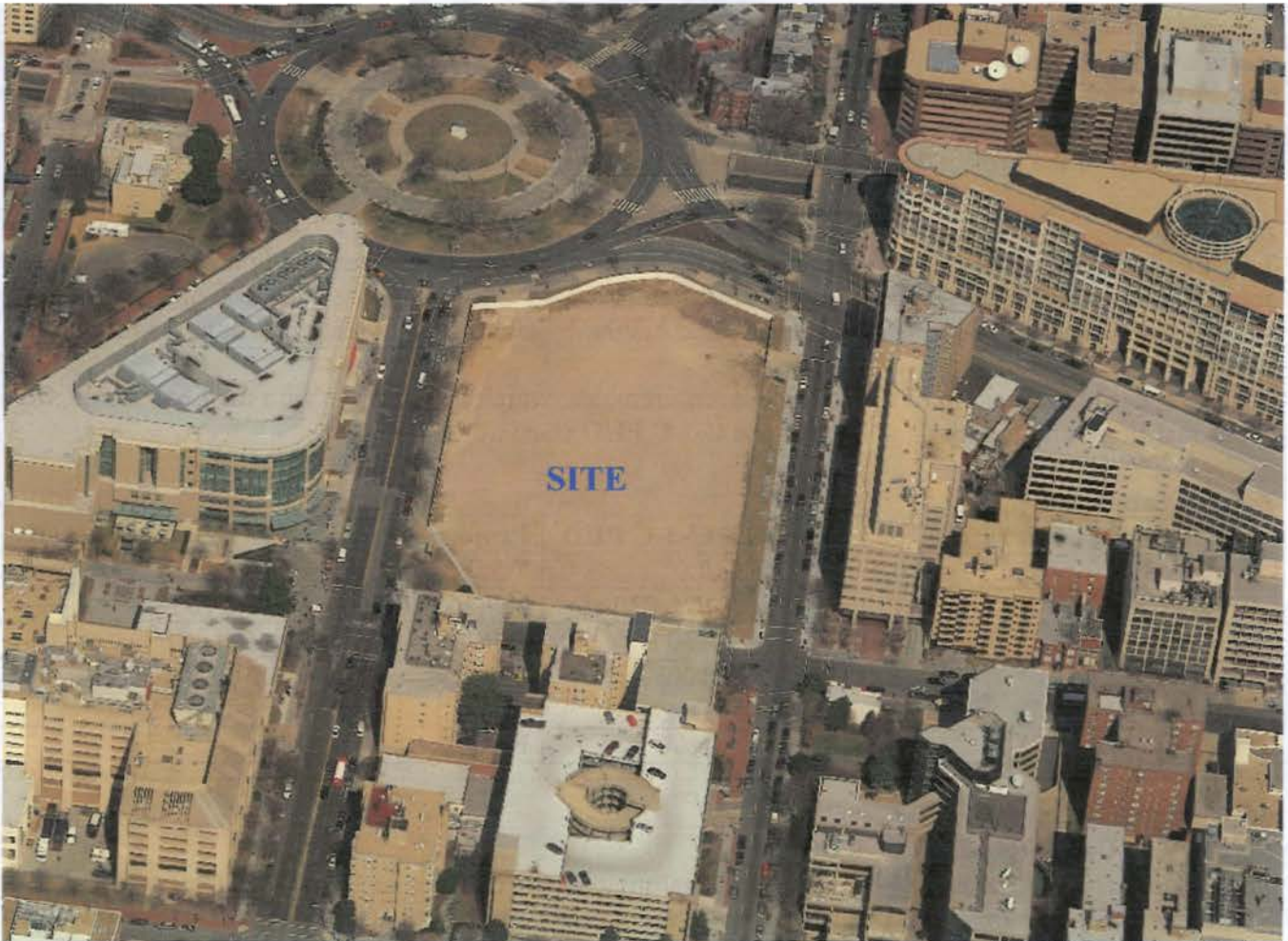


Figure 1: Aerial View

The center of the square would be left open in a large landscaped courtyard. Approximately half of the 26,000 square foot courtyard would be open to the public and have access to the office building while the other half would be for the use of the residential building occupants. All loading and parking for the site will be located underground. Portions of the interior courtyard will be raised above ground level to cover the loading for each of the uses, and up to 1,026 parking spaces will serve the site as well as the university. Both parking and loading will be accessed from 22nd Street.

The total project will have an FAR of approximately 7.5. The project will have various heights from 90' to 130'. The office building will be 90' in height at its face on Washington Circle and 23rd Street with a twenty foot setback to a 120' high section. Both the office and residential buildings on 22nd Street will be 130' while the remaining residential building on the southwest corner of the site is proposed at 110'. The height measurement for all of these buildings is taken from the Pennsylvania Avenue frontage meaning that the frontages on I Street will read ten feet higher than their zoning height due to the downward slope of the property. The developers have provided an above ground connection between the office and residential buildings on the 22nd Street side, including a shared amenity space.

The project includes a significant setback of the buildings for most of the frontage along I Street to create a pedestrian-friendly open space. This area, which is approximately 60 feet deep from the curb, may be used for seating for the retail uses in the building, but should also provide gathering area and public space along the I Street right-of-way. Outdoor seating is expected to continue in the public space on other sides of the project, including 23rd Street and Washington Circle.

ZONING

The site is currently zoned R-5-D and lies entirely within the University's campus boundary. The applicant is requesting a PUD-related map amendment to C-3-C for the entire site. The proposed project will exceed the matter-of-right C-3-C density and height, by taking advantage of the bonuses for a PUD.

With the possible exception of roof structure requirements, which may change with the final design, no additional flexibility is requested beyond the C-3-C PUD standards.

Zoning Tabulation

	R-5-D MOR	C-3-C MOR	C-3-C PUD	Proposed Project	Increase over MOR
FAR	3.5	6.5	8.0	7.5	4.0
GFA	405,003 sf	752,247 sf	925,720 sf	867,169 sf	462,166 sf
Height	90 ft	110 ft	130 ft	130 ft	40 ft
Lot Occupancy	75%	100%	100%	77%	2%
Yards	N/A	N/A	N/A	N/A	N/A

PUD EVALUATION STANDARDS

The purpose and standards for Planned Unit Developments are outlined in 11 DCMR, Chapter 24. Section 2400.1 states that a PUD is "designed to encourage high quality developments that provide public benefits." The proposed development will be filling several needs. First, the provision of a full service grocery store is very important to members of the surrounding community. Second, the provision in this development of for rent apartments within the campus boundaries may encourage more students to live on campus, and relieve some of the rental housing pressure by students on the surrounding neighborhood. Also, this project will further the idea supported by the new GWU campus plan of an active commercial area along I Street. The building will provide a significant amount of parking for the university allowing them to replace their existing aboveground garage at some point in the future. It also will create two significant public open spaces that will provide outdoor meeting and recreation space for the neighborhood.

The applicant is requesting that the proposal be reviewed as a consolidated PUD. This will allow the utilization of the flexibility stated in Section 2400.2:

The overall goal is to permit flexibility of development ands other incentives, such as increased building height and density; provided, that the project offers a commendable number of quality public benefits and that it protects and advances the public health, safety, welfare, and convenience."

Section 2403 further outlines the standards under which the application is evaluated.

2403.3 The impact of the project on the surrounding area and the operation of city services and facilities shall not be found to be unacceptable, but shall instead be found to be either favorable, capable of being mitigated, or acceptable given the quality of public benefits in the project.

The project provides public benefits as outlined above and will fit within the current level of service provided by existing city services. The community has expressed concern regarding the environmental impacts of the project, and OP shares these concerns. While it is not appropriate to do an environmental impact study at this point, before the building design is finalized, the applicant will be required to complete an Environmental Impact Screening Form and comply with the requirements of DCRA and the Department of the Environment prior to the building permit stage of the project.

PUBLIC BENEFITS AND AMENITIES

For approval of a PUD, the community benefits should be found to be generally commensurate with the additional FAR and other flexibility requested.

2403.9 Public benefits and project amenities of the proposed PUD may be exhibited and documented in any of the following or additional categories:

- (a) Urban design, architecture, landscaping, or creation or preservation of open spaces;*
- (b) Site planning, and efficient and economical land utilization;*
- (c) Effective and safe vehicular and pedestrian access, transportation management measures, connections to public transit service, and other measures to mitigate adverse traffic impacts;*
- (d) Employment and training opportunities;*
- (f) Housing and affordable housing;*
- (h) Environmental benefits, such as stormwater runoff controls and preservation of open space or trees;*
- (i) Uses of special value to the neighborhood or the District of Columbia as a whole;*

This project will require further definition of the proposed amenities at the public hearing. In the setdown report OP identified four major amenities that would help to balance the large density increase of the project. Subsequent discussions with the applicant have further clarified these areas and added a fifth major amenity.

1. Grocery Store

The site is currently designed to accommodate a 45,000 square foot grocery store. At the setdown stage the applicants were asked to further define the commitment being made. Since that meeting, the applicants have hired a retail broker and begun the process of contacting grocery retailers. While no retailer will sign a formal letter of intent prior to zoning approval of the project, the applicants have shown good faith in pursuing a grocery store tenant and maintain their commitment to a grocery store in the project. At the hearing, the applicant should further define the size and type of store being committed to and the final order should reflect these commitments. If a grocery store is proffered but cannot be delivered, the applicant would have to return to the Zoning Commission for a modification of the PUD.

2. Affordable Housing

The applicants have committed to a significant level of affordable housing in this development. The project will contain 8% affordable housing for rental by persons below 80% AMI and 5% workforce housing for those between 80% and 120% AMI. Units should be distributed evenly throughout the building and provided in perpetuity.

3. Metro Entrance

In the setdown report, OP recommended that the applicant add a commitment either to include the proposed second Foggy Bottom metro entrance in the development plan or contribute to the design and engineering costs to locate the entrance on another corner of this intersection. In addition, through the campus plan process, OP is seeking a commitment that the University will accommodate a second entrance on University property at the intersection of 22nd and I Streets. On October 27, 2006 WMATA released a draft report on the need for a second entrance at this station resulting from the high traffic at the station and poor emergency access. The report calls for the entrance to be located at the southeast corner of the 22nd and I Street intersection. In light of the large amount of metro traffic that the proposed development will add to the area, OP continues to recommend a significant monetary contribution toward the design and engineering of a potential second metro entrance. Per discussions with the applicant, OP is amenable to a clause that would assign this money to another public project in the immediate area should the metro project not move forward.

4. Site Design

The design of this project is a major amenity to the city and the area. The applicants have gone through over a year of planning and changes with the neighborhood and OP to create a site that takes advantage of the development potential of the site in a responsible way. The applicant's architects have created a design that successfully eliminates above ground parking and loading and activates all four street frontages. The design incorporates large amounts of public space and private residential open space. The office front on Pennsylvania Avenue is designed with a massive glass atrium which will define the building as unique in the area and will help transition from the higher 22nd Street wing to the lower wing on Washington Circle. Moreover, the office building steps down to 90 feet along the circle and 23rd Street in response to historic and urban design considerations. OP finds that in general the project is of very high quality design.

The design also contains a significant public plaza and will provide public seating on multiple sides. The building would serve as the western entrance to the business core on K Street and Pennsylvania Avenue while serving as a transition to the hospital to the west.

5. Environmental Sensitivity

As a result of the discussion at the Zoning Commission and meetings with OP, the applicant has proposed green roof and LEED elements to be included in the building. In addition to the LEED elements called out in the July 14, 2006 submission, the applicant will be presenting green roof alternatives at the public hearing.

OP believes that the public benefits discussed with the applicant and listed in this report are generally commensurate with the requested density subject to finalization of commitments on the grocery store, metro entrance, and green roof.

COMPREHENSIVE PLAN AND PUBLIC POLICIES

The Generalized Land Use Map includes the site in the GWU campus designated as a mix of Institutional and High Density Commercial use. The proposed office use along Pennsylvania and Washington Circle is consistent with the High Density Commercial designation at this location. The remainder of the square is designated as Institutional and while there is no university use, aside from parking, proposed for the square, the commercial use of this property as a part of the overall campus plan currently being considered would be consistent with land use and policies of the Comprehensive Plan.

The PUD is also consistent with other sections of the Comprehensive Plan including the following Major Themes of the Plan:

- Section 102 - Stabilizing and Improving District Neighborhoods,
- Section 103 - Increasing the Quantity and Quality of Employment Opportunities in the District
- Section 106 - Respecting and Improving the Physical Character of the District
- Section 109 - Reaffirming and Strengthening the District's Role as the Economic Hub of the National Capital Region

The proposed development should meet all of the above objectives by improving the physical character of the site, providing major economic development, producing market-rate and affordable housing, and providing open public space.

The proposed development also complies with the policies of each of the major elements of the plan:

- Housing Element
 - §302.1 “stimulate production of new and rehabilitated housing to meet all levels of need and demand.”
 - §302.2 “encourage housing on suitably located public or private properties that are vacant, surplus, underutilized, unused.”
- Transportation Element
 - §502.2 “Support...mixed-use zones that permit the co-development of residential and non-residential uses to promote higher density residential development at strategic locations, particularly near appropriate Metrorail stations.”
 - §502.2 “Require off-street loading of merchandise in commercial areas to the extent feasible.”
- Urban Design Element
 - §713.2 “Encourage the design of functionally active commercial centers within all areas of the District, especially in areas that are not now adequately served.”
 - §713.2 “Encourage the design of mixed-use development for large-scale projects to create active use during both day and evening hours.”
 - §713.2 “Encourage special design quality around Metrorail stations to create aesthetically pleasing physical concentrations of activity and development.”

- Land Use Element
 - §1100.8 “Development in Metrorail station areas will be undertaken to assure orderly growth, compatible mix of uses, appropriate densities, good pedestrian and vehicular circulation, and appropriate combinations of public and private action.”
 - 1108.1 “Promote appropriate commercial development, including centers for retail and office uses, to serve the needs of the economy of the District and its neighborhoods.”

Finally, the proposed development should not conflict with the policies of the Ward 2 Plan. The section specifically dealing with George Washington University is §1340.3 which states that “the development plans of the universities should not adversely impact surrounding, adjacent residential areas, but rather should improve such neighborhoods by improved landscaping, better lighting, and enhanced community policing.” The proposal will meet these three specific requirements in addition to furthering the general policy goals of the city as outlined above. In particular, the proposal for Square 54 concentrates height and intensity along 22nd and I Streets, internal to the campus, and away from the residential neighborhoods to the west and south.

In general, OP finds that the proposed development is not inconsistent with the policies of and furthers the objectives of the D.C. Comprehensive Plan

AGENCY REFERRALS AND COMMENTS

The applicant has worked closely with DDOT on this application. DDOT is expected to provide a report and testimony at the public hearing. No other agencies offered comments on the project.

COMMUNITY COMMENTS

ANC 2A held a public hearing on this issue at its meeting on November 9, 2006. At this meeting, Commissioner Thomas brought up issues relating to the proposed grocery store, parking and traffic, and the city tax implications of the project. OP expects that the final order for this project will contain a requirement for a grocery store that will not be changeable without returning to the Zoning Commission. OP also expects that, in light of the for-profit nature of the development, the entire project will be subject to DC property tax regardless of the retail or residential tenants.

The ANC voted 3-2 to oppose the Square 54 application based on lack of university use on the site, the use of the PUD on the campus, the concern that the amenities are not guaranteed, and concerns about traffic and parking.

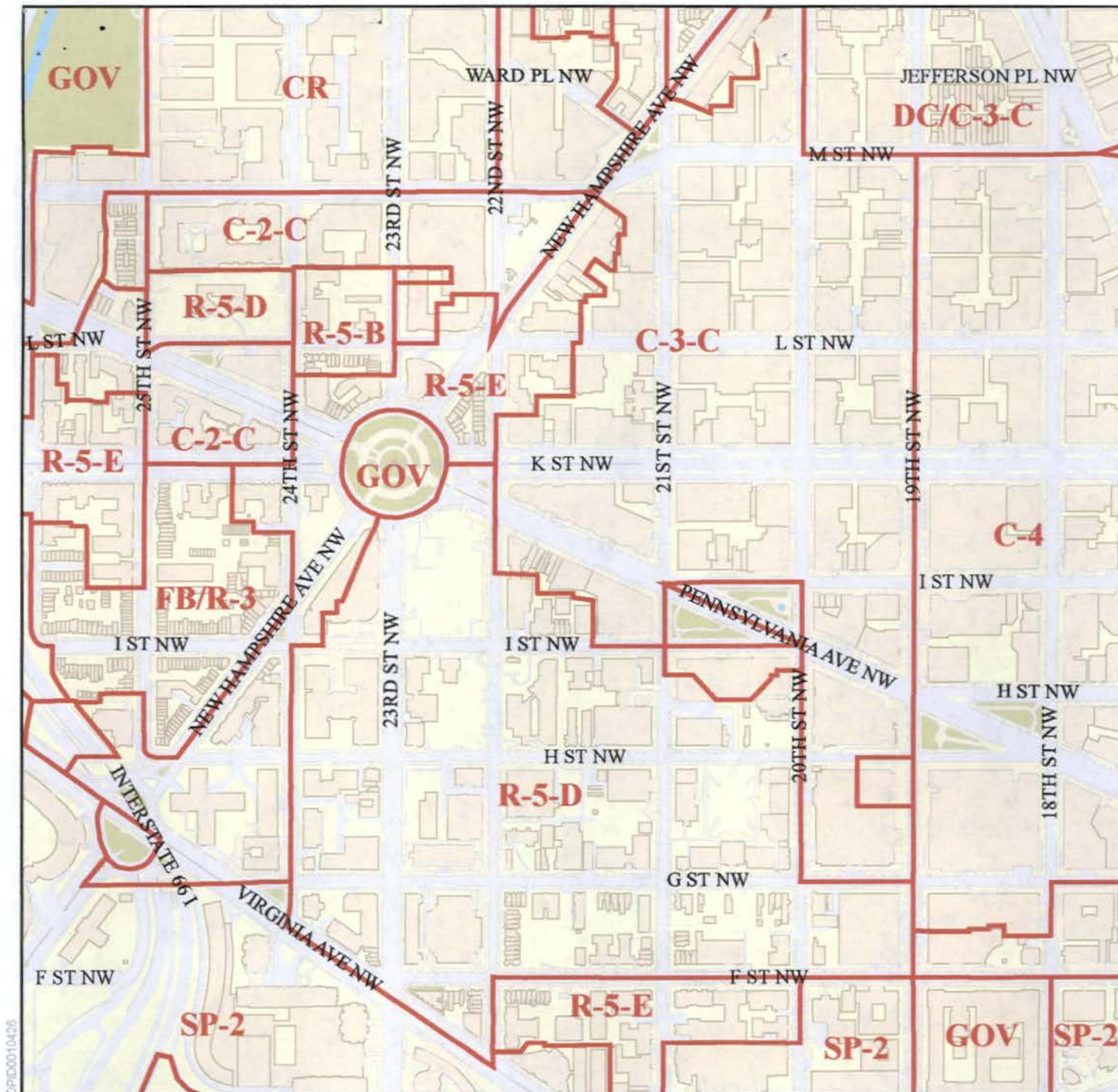
At the meeting both the FBA and WECA presented cases in opposition to the application. FBA is seriously concerned about continuing neighborhood degradation and the use of the PUD to circumvent neighborhood protections in Section 210. WECA offered four main objections including lack of justification for a map amendment, the wrong mix of uses on the site, the incompleteness of the application, and concerns over traffic impacts from the project.

RECOMMENDATION

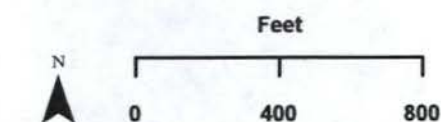
OP supports the proposed development of Square 54. OP believes that the proposed PUD is not inconsistent with the elements of the Comprehensive Plan and recommends approval of the PUD subject to the following conditions:

- The Zoning Commission has taken proposed action on the George Washington University Campus Plan 2006-2025 in case #06-11.
- Prior to proposed action, clarification of amenities for final order relative to 2nd metro entrance, grocery store commitment, environmental building & site elements, and time period for rental affordability.

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Square 54 Area Zoning







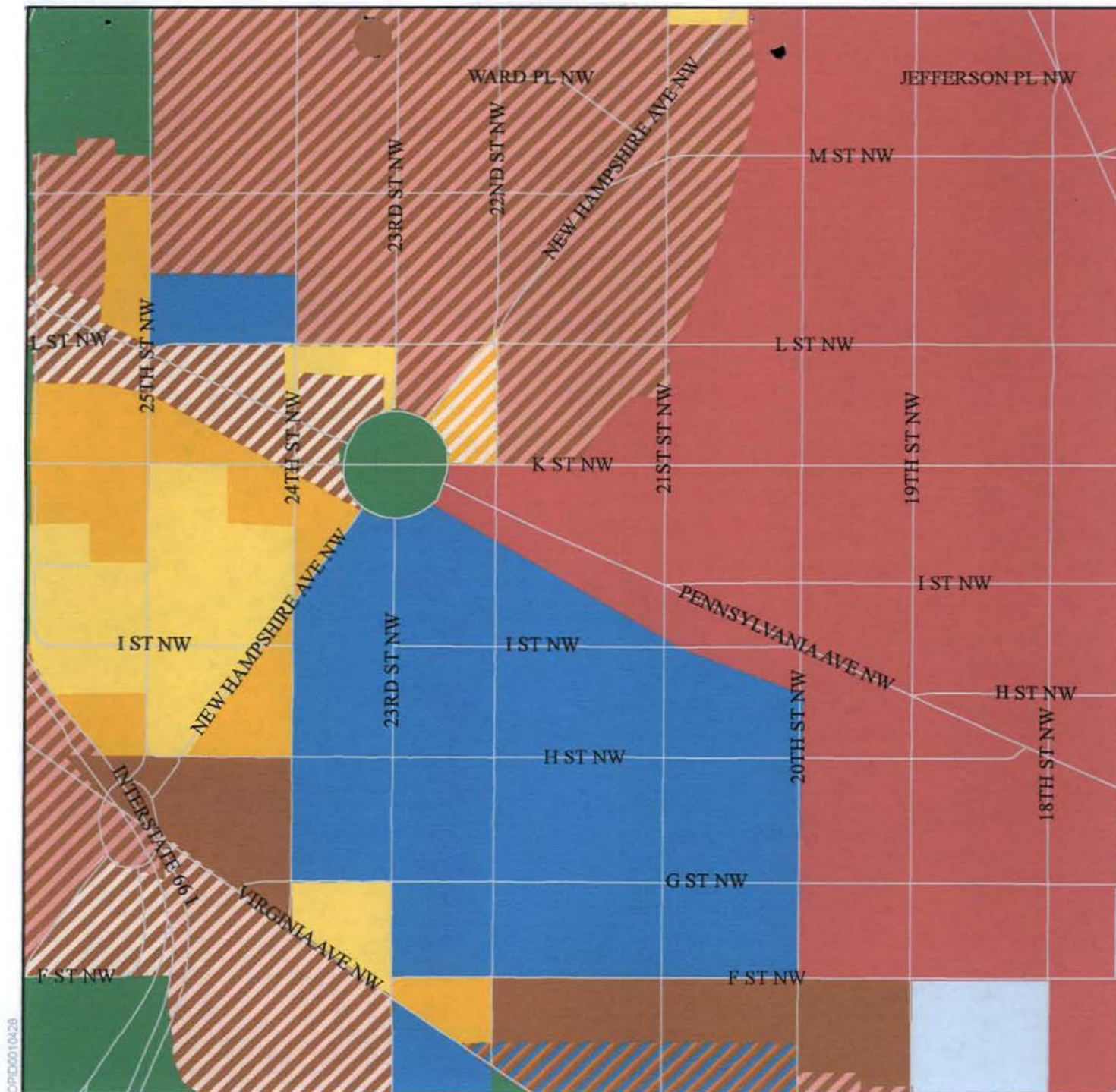
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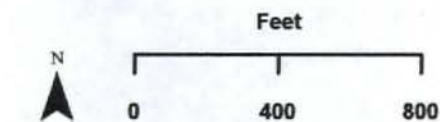
Legend

-  Buildings
-  Roads
-  Sidewalks
-  Zoning Districts



Square 54 Area Planned Land Use

Legend



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