

**PERSTAR M STREET PARTNERS, L.L.C.
AND
2213 M STREET LIMITED PARTNERSHIP
PLANNED UNIT DEVELOPMENT**

**STATEMENT
OF THE APPLICANT
TO THE
DISTRICT OF COLUMBIA ZONING COMMISSION
FOR A
CONSOLIDATED PLANNED UNIT DEVELOPMENT**

July 13, 2007

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ZONING COMMISSION
District of Columbia

CASE NO. 07-21

EXHIBIT NO. 4

DEVELOPMENT TEAM

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C	Portion of Sanborn Map and Baist Atlas
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F	Portion of Generalized Policy Map
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I. INTRODUCTION

This statement and the attached documents are submitted by PerStar M Street Partners, L.L.C., as owner of Lots 82, 813, 814 and 816 in Square 50, and 2213 M Street Limited Partnership, as owner of Lot 84 in Square 50 (collectively referred to herein as the "Applicant"), in support of their application to the Zoning Commission of the District of Columbia for the consolidated review and approval of a Planned Unit Development ("PUD").

The property that is the subject of this application consists of Lots 82, 84, 813, 814 and 816 in Square 50, (the "Subject Property"). The Subject Property has a combined land area of approximately 15,590 square feet and is located at the northwest corner of 22nd and M Streets, N.W. Square 50 is bounded by M, 22nd, N and 23rd Streets, N.W.

The Applicant is seeking consolidated PUD approval to develop a hotel on the Subject Property in accordance with the CR PUD zoning requirements. The project will contain approximately 124,196 square feet of gross floor area, with an overall FAR of 8.0. and a maximum building height of 110 feet. The project will include a total of approximately 182 hotel rooms, ground floor restaurant space, a spa, and 70 off-street parking spaces.

As set forth below, this statement and the attachments meet the filing requirements for a PUD application under Chapter 24 of the District of Columbia Zoning Regulations.

A. Information Regarding Development Team

PerStar M Street Partners, L.L.C. is a joint venture between Starwood Capital Group ("Starwood") and Perseus Realty, LLC ("Perseus"). Starwood was founded in 1991 as one of the world's first private equity funds focused on real estate as an investment platform. Since 1991, Starwood has invested over \$5 billion of equity capital in assets, businesses and mezzanine investments. The company employs over 135 associates worldwide, including associates in Washington, D.C. Starwood has been an owner, operator, investor, developer and brand creator for a number of hotels and currently directly owns a number of hotels.

Perseus is a D.C. real estate development company that was formed in early 2004 and focuses on commercial property investments and office, industrial, retail and residential development. Perseus is well-known for analyzing market trends, cultivating industry relationships to identify prime opportunities, and for having a strong commitment to due diligence, creativity and overcoming challenges. Perseus also has a track record of forging agreements that make every stakeholder a winner, addressing community concerns, and developing relationships that help ensure a smooth process. For each project, Perseus secures strong partners – leading architects, construction firms and industry experts – to bring a great project to market. Perseus has developed a number of projects in and around the District, including, for example:

- **2440 M Street** – Perseus Realty purchased the downtown property, long a center of medical treatment for nearby commercial tenants and residents of both the District and nearby Virginia and Maryland suburbs, in October 2005 at \$295/s/f. Major capital improvements were completed in 2006 and the building was sold in March of 2007 for \$451 s/f.
- **1110 Vermont Avenue** – Perseus Realty renovated and repositioned this 300,000 square foot property in the heart of the Midtown district, just four

blocks away from the White House. The building's design features award-winning interactive elements: The concierge desk is lit with embedded fiber optics that add intrigue and sophistication to the lobby, while a sound and light garden greets tenants and visitors and invites pedestrians into ground floor retailers Starbucks and restaurants Mio and Il Mulino.

- **1577 Spring Hill Road** – The 118,000 square foot office building in Tysons Corner, VA was built in 1984 and offers great location, access, and signage in one of the most vibrant real estate markets in the Washington, DC area. The building was placed under contract with 85,000 square feet vacant and market rents just starting to move up from a five-year low. Upon closing, 55,000 square feet of the building was immediately leased to two tenants by Perseus Realty. Leasing is now 100% complete.
- **4733 Bethesda Avenue** -- Located in the well established Bethesda, Maryland suburb of Washington, DC, this 100,000 square foot commercial building was purchased off-market in July 2002. Perseus Realty sold the building in 2006 to an institutional investor while retaining an equity position and realizing an IRR of 41%.
- **Parkside at Germantown** – Perseus Realty converted a 265-unit townhouse community located in suburban Washington, D.C. (Germantown, MD) into a for-sale product through a comprehensive capital and marketing campaign. Perseus injected \$20M in renovation capital to upgrade all units. Total project costs are estimated at \$65M and final unit sales closed in July 2007, with a projected IRR of 34%.

II. PROJECT DESCRIPTION

A. Site Location and Description

1. Site Description

The Subject Property is situated in Ward 2 and consists of Lots 82, 84, 813, 814 and 816 in Square 50. The Subject Property has a land area of approximately 15,590 square feet. Lots 82, 813, 814 and 816 were previously owned by the Embassy of the Federal Republic of Nigeria and are currently improved with the former Nigerian Chancery, which has been vacant for approximately five years. The Subject Property is

located at the northwest corner of 22nd and M Streets, N.W. Square 50 is bounded by M, 22nd, N and 23rd Streets, N.W.

The Subject Property is designated in the mixed-use, High Density Residential and Medium Density Commercial land use category on the District of Columbia Comprehensive Plan Future Land Use Map, and is designated in a Neighborhood Conservation Area on the District of Columbia Comprehensive Plan Generalized Policy Map.

B. Project Design

The Applicant proposes to construct a hotel on the Subject Property. The hotel will be the flagship of the Starwood "1" hotel brand. As the first luxury, eco-friendly global hotel brand, 1 will combine the best environmentally sustainable architecture and interior design with eco-friendly operating practices, impeccable service, and lavish comfort. Consistent with this theme, the proposed hotel will be LEED certified.

The design for the 1 Hotel combines architecture and sustainability to establish a new hospitality concept that pushes the boundaries of eco-architecture in the context of an urban luxury hotel. Three 11- story volumes connected by a glass enclosed vertical garden atrium are arranged on the corner site to optimize efficiency, light, and openness. Zones of varying degrees of privacy and public accessibility at the ground level are organized by the volumetric play established by the building massing and materials.

Light and garden serve as organizational devices that direct circulation and define urban articulations of the building. A harmonious integration of architecture and engineering permits hyper-efficiency in both structural and mechanical systems. Inspired by Victorian-era Botanical gardens, the building design also employs a double-glazed fenestration system that helps to provide comfort in all climatic conditions. Verdant

rooftop gardens in conjunction with the internal vertical gardens act as a living/breathing "green lung" to purify air and water allowing the project to conserve natural resources.

The overall massing of the 1 hotel is arranged around an open courtyard. This space captures natural light which will be diffused to the guest rooms, lobby and restaurant, while offering an open garden for the public use on the ground level. The courtyard, in conjunction with the hotel gardens on the second level, offers a green oasis with an urban experience, and serves as a respite from the city. The courtyard will serve as a seasonal register, as local foliage responds to the changing of seasons. The vertical gardens within the hotel will bring light and fresh, filtered air into the hotel.

The bar and cafe that occupy the corner location at the intersection of M and 22nd Streets are located to engage the public throughout the day. Sliding glass doors comprise the ground floor facade on the corner, to be opened when weather permits, for full integration with the sidewalk and public realm. This area is designed to become an active part of the urban streetscape. Public engagement with the project will continue to the green roof, as this area will be open for use during mild weather. Thus, the roof offers an extension of the garden experience, while functionally serving the green systems of the building. The sustainability concept for the Starwood 1 hotel encompasses multiple strategies, integrated through design, for efficient consumption of energy. Water conservation is essential for operating a sustainable hotel, and the hotel will employ rainwater harvesting, a grey-water system and high efficiency water fixtures.

C. Matter of Right Development under Existing and PUD Requirements

The Subject Property is current zoned CR. The Applicant is not seeking to rezone the Subject Property in connection with this Application. The CR zoning classification permits office (including chancery office), residential, hotel, retail/service and certain

other uses. 11 DCMR § 601.1. The maximum permitted matter-of-right height in the CR Zone is 90 feet. 11 DCMR § 630.1. In the CR Zone, the maximum permitted floor area ratio ("FAR") is 6.0, all of which may be residential, but of which not more than 3.0 may be used for other than residential purposes. 11 DCMR § 631.1. This limitation does not apply to any portion of the building which is totally below-grade, and therefore not included in gross floor area. For the purposes of calculating the permitted FAR in the CR Zone, the term "residential purposes" means, among other things, guest room areas and service areas within a hotel. See 11 DCMR § 631.2. Commercial adjuncts, exhibit space and function room areas within a hotel are charged against the non-residential FAR.

Pursuant to Section 633.1 of the Zoning Regulations, new developments in the CR Zone are required to provide an area on-site that is equivalent to ten percent (10%) of the total lot area as public space at ground level. The area devoted to public spaces must: (a) be located immediately adjacent to the main entrance to the principal building or structure on the lot; (b) serve as a transitional space between the street or pedestrian right-of-way and the building or structure; (c) be open to the sky or have a minimum vertical clearance of one (1) story or ten feet (10 ft.); (d) be suitably lighted and landscaped for public use, and may be utilized for temporary commercial displays; and (e) be open and available to the general public on a continuous basis. 11 DCMR §§ 633.2 to 633.5. The on-site area devoted to public space is not charged against the gross floor area of the building. 11 DCMR §633.6.

There is no lot occupancy limitation for hotels in the CR District. See 11 DCMR §§ 634.2 and 634.3. Pursuant to Section 636.1 of the Zoning Regulations, a rear yard must be provided for each residential building or structure in the CR Zone. The rear yard

requirement is three inches per foot of vertical distance from the mean finished grade at the middle of the rear of the building to the highest point of the main roof, but not less than 12 feet. For the purposes of calculating the rear yard, the term "residential" includes hotels. See 11 DCMR § 636.6. No side yard is required for any structure located in the CR Zone. 11 DCMR §637.1. However, if a side yard is provided, its minimum width must be three inches per foot of building height, but not less than eight feet. 11 DCMR §637.2.

Where an open court is provided in the CR Zone for a hotel, the court must have a width of two and one-half inches per foot of height of court, but not less than six feet. 11 DCMR §638.1(b). Where a closed court is provided in the CR Zone for a hotel, the court must have a width of two and one-half inches per foot of height of court, but not less than twelve feet, and an area of twice the square of the required width of court dimension. 11 DCMR §638.2(b).

A hotel use requires one parking space for each four rooms usable for sleeping, plus one for each 300 square feet of floor area in either the largest function room or the largest exhibit space, whichever is greater. 11 DCMR §2101.1. The loading requirement for a hotel with 30 to 200 rooms usable for sleeping is one loading berth at 30 feet deep, one loading platform at 100 square feet, and one service/delivery loading space at feet deep. 11 DCMR §2201.

Development of the Subject Property under the PUD guidelines for the CR District would allow a maximum building height of 110 feet, and a maximum FAR of 8.0, of which not more than 4.0 may be devoted to commercial use, including hotels. 11 DCMR §§ 2405.1 and 2405.2.

D. Tabulation of Development Data

See tabulation of development data included in the Architectural Plans and Drawings attached hereto as Exhibit A.

E. Flexibility under PUD Guidelines

The PUD process was created to allow greater flexibility in planning and design than may otherwise be possible under conventional zoning procedures. Thus, the Applicants seek flexibility from several provisions of the Zoning Regulations. As permitted under section 2403, the Commission may grant such flexibility in its discretion.

1. Flexibility From Public Space at Ground Level Requirement (Section 633.1)

The Applicant requests flexibility from the ten percent (1,559 square foot) ground level public space requirement. The hotel lobby has been designed as an open, publicly-accessible feature at the corner of 22nd and M Streets, N.W. Consistent with Section 663, this lobby area will be "adjacent to the main entrance to the principal building or structure on the lot", and will "have a minimum vertical clearance of one story or 10 feet". It will be "suitably lighted and landscaped for public use", with appropriate interior furnishings. It will be "open and available to the general public," consistent with a hotel operation. Although it can be argued that the hotel lobby will "serve as a transitional space between the street for pedestrian right-of-way and the building", it is actually a part of the building itself. The lobby area has not been excluded from in the gross floor area of the building, which would otherwise be the case if the space met the requirements of Section 663.

2. Flexibility from Rear Yard Requirement (Section 636.1)

The Applicant requests flexibility from the rear yard requirement. The site is a corner lot, and the inclusion of a rear yard along either the western-most lot line or the

northern-most lot line would result in a gap of 27.5 feet in the streetscape along either M or 22nd Street. The proposed hotel will abut the side walls of the adjacent buildings to the north and west. Unlike many of the commercial zones, the CR District does not allow the provision of a court in lieu of rear yard. The proposed hotel includes an open court at the rear of the structure, beginning at the second level, which measures approximately 69 linear feet in both the north-south and east-west directions. The total area of this open court is approximately 3,860 square feet. If a rear yard was provided, the resulting open space would be 2,750 square feet. Thus, the open court, which will be suitably landscaped, will provide more usable open space on site than would a rear yard.

3. Flexibility From Roof Structure Requirement (Section 639)

The Applicant requests flexibility regarding the number of roof structures and the roof structure setback. There will be two roof structure enclosures, separated by the vertical garden which extends from the second floor level up through the roof. The roof structure enclosures will meet the setback requirement from the exterior walls along 22nd and M Streets, N.W., but will not meet the minimum setback requirement along the exterior walls at the rear of the building, due to the L-shaped design of the building and the desire to meet the setback along the more-important street facades.

4. Flexibility from Access to Parking Requirement (Section 2117.4)

The Applicant requests flexibility from the requirement that "each required parking space shall be accessible at all times directly from improved alleys...or improved public streets via graded and unobstructed private driveways that form an all-weather surface." The parking garage for the hotel will be valet-operated, and the garage levels will be accessed via an elevator system, rather than a ramp system. This will maximize the efficiency of use of the parking garage space. Use of an elevator system, with valet

parking, will be the same from an operations standpoint as would use of a ramp with valet parking.

5. Additional 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. Nonetheless, some flexibility is necessary that cannot be anticipated at this time. Thus, the Applicant also requests flexibility in the following areas:

- a. To be able to provide a range in the number of hotel rooms.
- b. 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.
- c. To vary the number, location and arrangement of parking spaces, provided that the total is not reduced below the minimum level required.
- d. 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.

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 PUD Site. It allows the project to be developed within the purview of the Zoning Commission while at the same time providing opportunities for input from various agencies and parties. Through the PUD process, the Office of Planning and other District agencies will have the opportunity for greater participation in the fulfillment of the

District's planning objectives for this area. Similarly, the adjacent property owners and area residents will have the opportunity to express their views about the proposed development. Accordingly, the use of the PUD process gives the community and District agencies an opportunity to work with the Applicants to ensure a well-planned development.

B. PUD Requirements under Chapter 24 of the Zoning Regulations

1. Area Requirements under Section 2402.1(c)

The PUD Site area has approximately 15,590 square feet in land area, which exceeds the minimum area requirement of 15,000 square feet set forth in 11 DCMR §2401.1(c).

2. Height and FAR Requirements under Sections 2405.1 and 2405.2

The PUD regulations permit a maximum building height of 110 feet and a maximum FAR of 8.0 in the CR District. 11 DCMR §§ 2405.1 and 2405.2. The project has a maximum building height of 110 feet, and project's overall FAR is approximately 8.0. Thus, the project meets the PUD height and FAR requirements.

3. Impacts of the Project under Section 2403.3

The proposed PUD will have a positive impact on the surrounding area. Overall, the proposed development will significantly improve the existing area by virtue of the exceptional architectural design, as well as activating the corner of 22nd and M Street, N.W. The proposed PUD's design carefully considers the nearby uses and accordingly, will have a minimal impact on that area. Moreover, the proposed PUD will have no unacceptable impact on traffic. As indicated in the Traffic Impact Study attached hereto as Exhibit G, the proposed development will not have an adverse impact on existing or future traffic conditions.

4. Not Inconsistent with Comprehensive Plan under Section 2403.4

As discussed at length below, the PUD project is not inconsistent with the Comprehensive Plan.

C. Public Benefits and Project Amenities

1. Overview

The PUD guidelines require the evaluation of specific public benefits and project amenities for 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 the development of the site under the matter of right provisions....” 11 DCMR 2403.6. A project amenity is further defined as “one type of public benefit, specifically a functional or aesthetic feature of the proposed development, that adds attractiveness, convenience or comfort of the project for occupants and immediate neighbors.” 11 DCMR 2403.7. Additionally, when deliberating the merits of 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. 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.

2. Environmental Benefits (Section 2403.9(h))

The proposed hotel will be LEED certified. As shown on the Architectural Plans and Elevations, the project includes a number of sustainability features, including, for example:

- daylighting and automated lighting and control systems;

- a ventilated double façade;
- pool water use for fire sprinklers;
- solar hot water panels;
- rainwater harvesting and reuse;
- a permeable vertical garden with vegetated walls to provide daylight, purify the air and promote cross ventilation;
- high-efficiency plumbing fixtures;
- dual flush toilets;
- grey water re-use;
- energy-efficient light fixtures;
- automated dimming, lighting and shading;
- Energy Star appliances; and
- recharging stations for electric vehicles.

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

The high quality of architectural design in the proposed development exceeds that of most hotels in the District. The Applicant has commissioned the architectural firms of Oppenheim Architecture and Design and Leo A. Daly Architects to create a building that will further the goals of urban design and enhance the streetscape and surrounding neighborhood. Moreover, as shown on the Landscape Plan included in the Architectural Plans and Elevations, the project includes a number of enhanced landscaping, garden and open space features.

4. First Source Employment Agreement and Local, Small and Disadvantaged Business Enterprises (Section 2403.9(j))

Expanding employment opportunities for residents and local businesses is a priority of the Applicants. Therefore, the Applicant will be entering into a First Source Employment Agreement with the Department of Employment Services. The Applicant will also be entering into a Local, Small, and Disadvantaged Business Enterprises (LSDBE) Memorandum of Understanding with the District's Office of Local Business Development.

5. Other Benefits and Amenities

The Applicant is currently in discussions with community representatives and District agencies, and expects to add other benefits and amenities to this list in response to those discussions.

IV. COMPLIANCE WITH THE COMPREHENSIVE PLAN

The proposed PUD advances the purposes of the Comprehensive Plan, is consistent with the Future Land Use Map and Generalized Policy 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).

The PUD project significantly advances these purposes by promoting the social, physical and economic development of the District through the provision of a high-quality state-of-the-art, eco-friendly, LEED certified hotel development that will add 182 hotel rooms to the District, create additional employment opportunities, and generate significant tax revenues for the District.

B. Future Land Use Map

The Subject Property is designated in the mixed-use, High Density Residential and Medium Density Commercial land use category on the District of Columbia Comprehensive Plan Future Land Use Map. The High Density Residential designation is used to define neighborhoods and corridors where high-rise apartment buildings are the predominant use, and the corresponding zones districts are generally R-5-D and R-5-E (although other zones may apply). The Medium Density Commercial designation is used to define shopping and service areas that are more intense in scale and character than the moderate-density commercial areas. Retail, office and service businesses are the predominant uses. The corresponding zone districts are generally C-2-B, C-2-C, C-3-A, and C-3-B, although other districts may apply.

The Applicant's proposal to construct a hotel on the Subject Property is consistent with the Future Land Use Map's designation of the Subject Property. The Subject Property is currently zoned CR, and the Applicant is not proposing a rezoning in connection with this application. The purpose of the CR district is to encourage a diversity of compatible land uses that may include both residential and commercial uses,

which is also consistent with the stated principle of the mixed-use designation of the Subject Property.

C. Generalized Policy Map

The Subject Property is designated in a Neighborhood Conservation Area on the District of Columbia Comprehensive Plan Generalized Policy Map. Neighborhood Conservation Areas are anticipated to include some new development and reuse opportunities. The guiding philosophy in these areas is to preserve and enhance the character of these neighborhoods, and that new developments should be compatible with the existing scale and architectural character of the area. The proposed PUD is consistent with this philosophy since the development will have a positive impact on the surrounding area by virtue of the exceptional architectural design, as well as activating the corner of 22nd and M Street, N.W. The proposed PUD's design carefully considers the nearby uses and accordingly, will have a minimal impact on that area. Moreover, the proposed PUD will have no unacceptable impact on existing or future traffic conditions.

D. 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, and building green and healthy communities, as set-forth in the Comprehensive Plan.

1. Managing Growth and Change.

In order to manage growth and change in the District, the Comprehensive Plan encourages, among other factors, the growth of both residential and non-residential uses, particularly since non-residential growth benefits residents by creating jobs and opportunities for less affluent households to increase their income. (§ 2.3, § 217.4). The Comprehensive Plan also states that redevelopment and infill opportunities along

corridors is an important part of reinvigorating and enhancing neighborhoods. (§ 2.3, ¶ 217.6). The proposed PUD is fully-consistent with each of these goals. Redeveloping the Subject Property into a vibrant hotel will both reactive this important corner and will generate significant tax revenue for the District. Moreover, the proposed hotel use, which includes a restaurant on the second floor, will increase employment opportunities for District residents.

2. Creating Successful Neighborhoods.

One of the guiding principles for creating successful neighborhoods is the recognition that many neighborhoods include commercial uses that contribute to the neighborhood's character and make communities more livable. (§ 2.3, ¶218.2). 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. (§ 2.3, ¶218.8).

The proposed PUD further these goals with the construction of a state-of-the-art, LEED certified hotel that will add 182 guest rooms to the District, create additional employment opportunities, and generate significant tax revenues for the District. In addition, as part of the PUD process, the Applicant will be working with the Advisory Neighborhood Commission and local community groups to develop an appropriate amenities package for the neighborhood and ensure that the development provides a positive impact to the immediate neighborhood.

3. Building Green and Healthy Communities.

One of the guiding principles for building green and healthy communities is that building construction and renovation should minimize the use of non-renewable resources, promote energy and water conservation, and reduce harmful effects on the

natural environment. (§2.3, ¶221.3) As discussed in more detail above, the building will be LEED Certified, and will include a significant number of sustainable design features.

E. Land Use Element

For the reasons discussed above, the Project supports the following policies of the Land Use Element:

1. Policy LU-2.2.3: Restoration or Removal of Vacant and Abandoned Buildings.

This policy encourages a reduction in the of vacant and abandoned buildings in the city through renovation, rehabilitation, and where necessary, demolition. Consistent with the policy objective, the Applicant proposes to replace the currently vacant former Embassy building and lot with a new development that will be an asset to the immediate neighborhood and the District.

2. Policy LU-2.2.4: Neighborhood Beautification.

Policy LU-2.2.4 encourages projects to improve the visual quality of the District's neighborhoods. As shown on the Landscape Plan included in the Architectural Plans and Elevations, the Applicant proposes to provide landscaping and tree planting on M and 22nd Streets. Moreover, development of the site will be an improvement to the current condition. In addition, the proposed restaurant will help activate the street level of the project.

3. Policy LU-2.4.10: Use of Public Space within Commercial Centers.

This policy encourages the development of outdoor sidewalks cafes, flower stands, and similar uses which "animate" the street. As shown on the Architectural Plans and Elevations, the project includes a restaurant at the corner of M and 22nd streets, which is ideally situated to engage the public throughout the day. This area is designed to

become part of the urban streetscape and includes operable glass doors to be opened when weather permits for full integration with the sidewalk and public realm.

4. Policy LU-2.4.11: Hotel Impacts.

The objective of this policy is to manage the impacts of hotels on surrounding areas. The development team has carefully analyzed the impacts of this project on the surrounding neighborhood and the evidence demonstrates that the project will have a positive impact on the neighborhood. The project includes adequate areas for truck movement and deliveries, hotel parking, and all other activities associated with the proposed use. There are no immediately adjacent residential uses to the Subject Property.

F. Transportation Element

1. Action T-2.3-A: Bicycle Facilities.

This element encourages new developments to include bicycle facilities. The Applicant proposes to include secure bicycle parking and bike racks as amenities within the development that accommodate and encourage bicycle use.

2. Policy T3.1.3: Car-Sharing.

This element encourages the expansion of car-sharing services as an alternative to private vehicle ownership. The proposed hotel will offer preferred parking options for hybrid and alternative-fuel vehicles. Also, the hotel will own alternative-fuel cars for both local rental for guests and for use by hotel staff as necessary to perform hotel operations.

3. Policy T-3.1.3: Transportation Demand Management (TDM) Programs.

Policy T-3.1.3 encourages the promotion of programs and strategies aimed at reducing the number of car trips and miles driven to increase the efficiency of the transportation system. In addition to providing bicycle facilities and car-sharing spaces,

the Applicant will also provide public transportation and commuter-related information to both guests and employees. In addition, the Applicant is proposing to construct a designated drop-off and pick-up passenger waiting area at the main entrance to the hotel with appropriate signage on 22nd Street.

4. Policy T-3.2.2: Employing Innovations in Parking.

This policy encourages the implementation of new technologies to increase the efficiency, management, and ease of use of parking. The Applicant's proposal to use an elevator for parking access, together with valet-only and stacked parking is directly consistent with this policy and will maximize the efficiency of use of the parking garage.

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;
4. Policy E-2.2.4: Alternative Energy Sources - calls for the use of solar energy and other sustainable sources to benefit environmental quality;
5. 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
6. 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 proposed project includes street tree planting and maintenance, landscaping, energy efficiency and alternative energy sources, 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 specifically recommends the continued support and growth of the hospitality industry, which is a core industry in the District. *See* Policy ED-1.1.1. Moreover, Policy ED-2.3.1, "Growing the Hospitality Industry," further recommends that the District should develop an increasingly robust tourism industry and strive to increase the number of visitors staying in the District (rather than in suburban hotels). Policy ED-2.3.4 also recommends that the District should support the development of a diverse range of hotel types, serving travelers with varying needs, tastes, and budgets.

The Applicant's proposal to construct is consistent with, and implements, each of these goals. The Applicant's proposal to construct a hotel on the Subject Property is an indication of the robustness of the hospitality industry in the District. Moreover, the addition of 182 new hotel rooms to the existing stock in the District will help increase the number of visitors staying in the District. Finally, the proposed hotel will be an attraction since the "1" hotel brand is the first luxury, eco-friendly global hotel brand to combine the best environmentally sustainable architecture and interior design with impeccable service and lavish comfort.

I. Urban Design Element

The proposed hotel is also consistent with a number of the policies included in the Urban Design Element of the Comprehensive Plan. For example, as shown on the Architectural Plans and Elevations, the project includes an attractive, visually-interesting and well-designed building façade that eschews monolithic or box-like forms, or long blank walls which detract from the human quality of the street. See Policy UD-2.2.5. 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 since the Applicant proposes to improve the appearance and identity of 22nd and M Streets through the use of street trees and tree boxes and the sidewalks and plantings adjacent to the Subject Property will enhance the visual character of these streets and provide a buffer to reduce the impacts of vehicle traffic.

J. Near Northwest Area Element

Policy NNW-1.1.3 of the Near Northwest Area of the Comprehensive Plan recommends that the District sustain and enhance the neighborhood, community, and regional shopping areas of Near Northwest, including M Street, and promote these areas as diverse, unique, pedestrian-oriented shopping streets that meet the needs of area residents, workers, and visitors. The proposed PUD is consistent with this policy since the proposed development will bring a new, high-quality hotel with ground floor restaurant on M Street that will further establish this area as a premier area of the District with diverse and unique establishments.

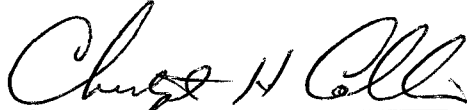
V. CONCLUSION

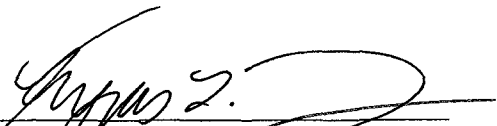
For the reasons stated above, the Applicant submits that the PUD meets the standards of Chapter 24 of the Zoning Regulations and is consistent with the purposes

and intent of the Zoning Regulations and Zoning Map. Accordingly, the Applicant requests that the Zoning Commission determine that the application has merit and that a public hearing on the application should be scheduled.

Respectfully submitted:

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