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October 18, 2000

'00 OCT 18 P 2:23
OFFICE OF ZONING
DISTRICT OF COLUMBIA

By Hand

D.C. Board of Zoning Adjustment
Room 210
441 4th Street, N.W.
Washington, DC 20001

Re: **BZA Order No. 16387**
Application of Square 456 Associates
Request for Modification of Approved Plans

Dear Members of the Board:

Galapagos II, LLC and Galapagos 456 LLC, the owners of the property which is the subject of BZA Application No. 16387 and successors in interest to Square 456 Associates, the original applicant, hereby submit this request for the Board to modify the previously approved plans consistent with Paragraph 2 of BZA Order No. 16387. In addition, on behalf of Golden Rule Plaza, Inc. ("Golden Rule"), the Applicant hereby requests a six month extension of the time period provided for Golden Rule to settle on the financing to construct an affordable income apartment building, as provided in Paragraph 1 of the Order.

BZA
Case No. 16387
Exhibit No. 32

Procedural History

BZA Application No. 16387 was heard by the Board on September 2, 1998, and was approved by unanimous Bench Decision on the same day. The written Summary Order approving the Application with two conditions was issued on December 3, 1998.

The first condition regarded the deposit by the Applicant of $500,000 into an escrow account, to be made available to Golden Rule at the time of settlement on the construction financing for the low and moderate income housing project to be constructed on the west side of New Jersey Avenue between New York Avenue and K Streets, N.W. The condition placed a two year time limit for Golden Rule to settle on its financing. If Golden Rule did not drawn down the funds within two years, the Applicant was to consult with the Office of Planning to determine an appropriate alternative plan to use the funds for affordable housing and was to submit that plan to the BZA. In accordance with

Board of Zoning Adjustment
District of Columbia
CASE NO.16387
EXHIBIT NO.32

the BZA's order, the Applicant placed the funds in escrow within the time period specified, but Golden Rule has yet to close on the construction financing and draw down the funds.

The second condition provided, in relevant part, that the Applicant could modify the design of the building subject to approval under DC Law 2-144, provided that those changes do not diminish the roof structure setbacks shown on the plans for which special exception relief was required.

Modification of Plans

Pursuant to §3129 of the Zoning Regulations, the Applicant in the above-referenced matter hereby requests the Board of Zoning Adjustment's approval to modify the plans that were approved as part of the original Application. A copy of the BZA Order is attached as Exhibit A. There, the Board granted special exception relief pursuant to §411.11 for roof structure setbacks and variance relief from §1706.22(g) to permit commercial development to proceed prior to the issuance of a certificate of occupancy for permitted off-site affordable housing in the Downtown Development District. The relief was requested in order to allow: (1) the construction of an office and retail building as an addition to the existing American Association of Retired Persons (AARP) building located at 601 E Street, N.W.; (2) the renovation and reconstruction of, and addition to, the former Hecht's building and adjoining buildings at 511-517 7th Street, N.W., to be used for office, arts and retail purposes; and (3) the renovation of and additions to the Murray Building and 625-627 E Street, N.W., for residential purposes with ground floor retail and arts uses.

The Applicant, as part of this filing, requests a waiver from the six month limitation for filing requests for modification of plans with the Board, set forth at §3129.3 of the Zoning Regulations, in order to allow this modification request to be considered. As demonstrated by the attached Staff Report and Recommendation, dated September 28, 2000 (Exhibit B), the Applicant has been in continuing consultation with the Historic Preservation Review Board concerning significant design issues related to the historic buildings. This consultation and design refinement necessarily involved certain minor modifications to the project as proposed, including revisions to the roof structures.

The design review process took well longer than the six month period provided in Title 11 to seek a modification of plans. The six month period for seeking a modification is also out of consonance with the two year period provided in §3130 for filing an

application for a building permit. The Applicant therefore seeks a waiver from §3129.3 for the Board to consider the requested modifications.

As a part of the Order, the Board stated in Paragraph 2, Page 2 that:

> The applicant may modify the design of the building subject to approval under D.C. Law 2-144, provided that those changes do not diminish the roof structure setbacks shown on the plans for which special exception relief is required, and may otherwise comply with the provision of preferred uses so long as all the requirements of the Zoning Regulations are met, provided that the applicant shall not reduce the amount of on-site housing which comprises 56,240 square feet of gross floor area as shown on the plans submitted to the Board.

The project plans have now been refined and the roof structures on both the office portion of the project and the residential building have been revised along with the infill of a minor court in the interior of the site which is not visible from 7th or F Streets, N.W. The modifications are depicted on the attached plans (Exhibit C). The changes to the plans were necessary because:

1. A minor interior court, not visible from either 7th or F Streets, has been filled in to accommodate an interior connection between Hecht's and the new mid-block building on F Street. This connection is made at the elevator core of the Hecht's building and provides a direct link to the elevator core of the new building, resolving the difficulty created because the floors of the new building do not align with the floors of the historic Hecht's building.

2. The further development of mechanical, electrical, plumbing, elevator and stair design has caused the location of passenger elevators in the Hecht's building to be shifted slightly to the north, changing and reducing the size of the elevator overrun at the eighth floor from the originally approved plans.

3. As noted above, the further development of mechanical, electrical, plumbing, elevator and stair design has caused the location of passenger elevators in the Hecht's building to be shifted. The extent of mechanical, electrical and plumbing equipment in the penthouse requires a freight elevator to travel to the penthouse and its location is dictated by the intent to reduce the amount of demolition of the Hecht's building.

4. The limitation of the size of the penthouse on the Hecht's building, for historic considerations, has resulted in the increase in the size of the penthouse over the new addition to the south, to accommodate HVAC equipment for both buildings. The larger penthouse to the south still meets the required setbacks from the street.

5. The penthouse on the Murray Building addition has been extended slightly to the east, to accommodate the revised location for an elevator overrun for the apartment building.

The minor exterior modifications to the penthouse continue to exceed the setback required along 7th and F Streets and do not diminish the roof structure setbacks for which relief was required. In all other respects the provision of preferred uses continues to be met and the 56,240 square feet of on-site housing has not been reduced.

Request for Six Month Extension for Golden Rule Plaza, Inc. To Settle on its Funding

Regarding the first condition to the Board's Order, Golden Rule has been in negotiations with the Department of Housing and Community Development and with its proposed financing providers regarding the significant 120+ unit low and moderate incoming residential project it is developing on New Jersey Avenue, between New York Avenue and K Street, N.W. in Housing Priority Area A. Those negotiations will require additional time, not to exceed six months, to reach settlement on the project financing. While such an extension of time is needed by Golden Rule to finalize the project financing, it will exceed the two-year limitation on the escrow established in the Order. Golden Rule and the agencies with which it is working are confident that a satisfactory financing package will be arranged within the next six months by Golden Rule that will allow it to proceed with its significant housing project. Golden Rule does not believe that an alternative plan for use of the funds toward affordable housing objectives is needed. Working drawings for the project have been completed and an application for a building permit is in the process of being finalized for filing. Attached is a letter on behalf of Golden Rule requesting the additional time and stating the reasons for the request (Exhibit D).

It is our understanding that the D.C. Housing Finance Agency and the Department of Housing and Community Development support the granting of this request. There is no other project similar to this, for low and moderate income persons in a housing

priority area, which has completed working drawings and is ready to start within this six month time frame.

Conclusion

For the reasons set forth above, it is respectfully requested that the Request for Modification of Plans be granted and that a six month extension be granted for Golden Rule to close on its project financing.

Respectfully submitted,

WILKES ARTIS, CHARTERED

By: _____
Norman M. Glasgow, Jr.

_____
Dennis R. Hughes

Attachments
CC: Office of Planning
ANC 2C
#214179/WAS1 #879659 v1



GOVERNMENT OF THE DISTRICT OF COLUMBIA
BOARD OF ZONING ADJUSTMENT

Application No. 16387 of Square 456 Associates, pursuant to 11 DCMR 3108.1 and 3107.2 for a special exception under Subsection 411.11 for a roof structure and a variance from Subsection 1706.22(g) to permit commercial development to proceed prior to the issuance of a certificate of occupancy for nonresidential development within the DD District until a certificate of occupancy is issued for affordable housing in a DD/C-4 District at premises 625-627 E Street, and 620 and 626 F Street, 501-507 and 511-517 7th Street, NW (Square 456, Lots 37, 39, 868 and 869).

HEARING DATE: September 2, 1998
DECISION DATE: September 2, 1998(Bench Decision)

SUMMARY ORDER

The Board provided proper and timely notice of the public hearing on this application by publication in the D.C. Register, and by mail to Advisory Neighborhood Commissions (ANC) 2C and 6A and to owners of property within 200 feet of the site.

The site of the application is located within the jurisdiction of ANC 2C. ANC 2C which is automatically a party to this application, did not file a written statement regarding the application. However, three Commission members filed a joint letter in support of the application.

As directed by 11 DCMR 3324.2, the Board has required the applicant to satisfy the burden of proving the elements which are necessary to establish the case for a special exception pursuant to 11 DCMR 411.11 and a variance from the strict application of the requirements of 11 DCMR 1706.22(g). No person or entity appeared at the public hearing in opposition to this application or otherwise requested to participate as a party in this proceeding. Accordingly, a decision by the Board to grant this application would not be adverse to any party.

Based upon the record before the Board, the Board concludes that the applicant has met its burden of proof, pursuant to 11 DCMR 3108.1, that the requested relief can be granted as in harmony with the general purpose and intent of the Zoning Regulations and Map, and that granting the requested relief will not tend to affect adversely the use of neighboring property in accordance with the Zoning Regulations and Map. The Board further concludes that the applicant has met the burden of proof, pursuant to 11 DCMR 3107.2, that there exists an exceptional or extraordinary situation or condition related to the property which creates a practical difficulty for the owner in complying with the Zoning Regulations, and that the requested relief can be granted without substantial detriment to the public good and without substantially impairing the intent, purpose and integrity of the zone plan as embodied in the Zoning Regulations and Map. The Board concludes

that the applicant has met the requirements of Section 1706.22 pertaining to the provision of off-site housing, that the applicant may meet the preferred use requirements of the DD Regulations and utilize any of its incentives and bonuses in any manner permitted by said DD Regulations so long as the on-site housing is not decreased. It is therefore **ORDERED** that the application be **GRANTED** subject to the following **CONDITIONS:**

1. Within thirty days after the issuance of the Board's order, the applicant shall place $500,000 in an escrow account for the benefit of Golden Rule Plaza, Inc., to be made available to Golden Rule Plaza, Inc., at the time of settlement on the financing for the low and moderate income housing project to be constructed on the west side of New Jersey Avenue between New York Avenue and K Street. After placing the $500,000 in escrow, the applicant may proceed to construct and occupy the development in Square 456. In the event that the Golden Rule Plaza project has not settled on its financing and drawn down the funds in the escrow account within two years of the date of the Board's order, the applicant shall consult with the Office of Planning to determine an appropriate alternative plan as to how the funds will be used for affordable housing, and shall submit that plan to the Board in an appropriate motion. The submission of such an alternative plan in no manner affects the rights granted by this order enabling the applicant to proceed with the mixed-use development on the subject site.

2. The applicant may modify the design of the building subject to approval under D.C. Law 2-144, provided that those changes do not diminish the roof structure setbacks shown on the plans for which special exception relief is required, and may otherwise comply with the provision of preferred uses so long as all the requirements of the Zoning Regulations are met, provided that the applicant shall not reduce the amount of on-site housing which comprises 56,240 square feet of gross floor area as shown on the plans submitted to the Board.

Pursuant to 11 DCMR 3301.1, the Board has determined to waive the requirement of 11 DCMR 3331.3 that the order of the Board be accompanied by findings of fact and conclusions of law. The waiver will not prejudice the rights of any party, and is not prohibited by law.

VOTE: **3-0** (Sheila Cross Reid, Betty King, and Anthony J. Hood to grant.)

BY ORDER OF THE D.C. BOARD OF ZONING ADJUSTMENT

ATTESTED BY: Tracey W. Rose
for **SHERI M. PRUITT-WILLIAMS**
Interim Director

FINAL DATE OF ORDER: DEC - 3 1998

PURSUANT TO D.C. CODE § 1-2531 (1987), SECTION 267 OF D.C. LAW 2-38, THE HUMAN RIGHTS ACT OF 1977, THE APPLICANT IS REQUIRED TO COMPLY FULLY WITH THE PROVISIONS OF D.C. LAW 2-38, AS AMENDED, CODIFIED AS D.C. CODE, TITLE 1, CHAPTER 25 (1987), AND THIS ORDER IS CONDITIONED UPON FULL COMPLIANCE WITH THOSE PROVISIONS. THE FAILURE OR REFUSAL OF APPLICANT TO COMPLY WITH ANY PROVISIONS OF D.C. LAW 2-38, AS AMENDED, SHALL BE A PROPER BASIS FOR THE REVOCATION OF THIS ORDER.

UNDER 11 DCMR 3103.1, "NO DECISION OR ORDER OF THE BOARD SHALL TAKE EFFECT UNTIL TEN DAYS AFTER HAVING BECOME FINAL PURSUANT TO THE SUPPLEMENTAL RULES OF PRACTICE AND PROCEDURE BEFORE THE BOARD OF ZONING ADJUSTMENT."

THIS ORDER OF THE BOARD IS VALID FOR A PERIOD OF TWO YEARS AFTER THE EFFECTIVE DATE OF THIS ORDER, UNLESS WITHIN SUCH PERIOD AN APPLICATION FOR A BUILDING PERMIT OR CERTIFICATE OF OCCUPANCY IS FILED WITH THE DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS.

SO/16387/POH



HISTORIC PRESERVATION REVIEW BOARD
STAFF REPORT AND RECOMMENDATION

Landmark/District:	**Downtown Historic District**	(x) Agenda
Address:	**Old Hecht's Department Store Project** (511-17 7th Street, NW; 626 F Street, NW) (501-07 7th Street, NW; 625-27 and 635 E St, NW)	( ) Consent Calendar
Meeting Date:	**September 28, 2000**	( ) Subdivision
H.P.A. Number:	**00-187**	( ) Alteration
Date Received:	**9/14/00 (supplemental)**	(x) New Construction
Staff Reviewer:	**David Maloney**	(x) Conceptual Design

CarrAmerica and SmithGroup architects return for additional conceptual review of plans for the old Hecht's Department Store and adjacent properties in the block bounded by 6th, 7th, E, and F Streets, NW. At the previous review in April, the Board requested additional work on the conceptual design for the pedestrian arcade running midblock between E and F Streets.

The applicant has submitted revised designs for both the arcade and the flanking building façade. The arcade is metal and glass as in the previous design, but the roof, lanterns, and other elements have been adjusted to align with the existing arcade in the Phase I (AARP) building. Rather than resting on the flanking buildings, the arcade is now supported by a tubular steel framework of Gothic arches. At the entrance, the earlier square "tower" has been reworked into a more angular construction of struts and cables from which the roof is suspended.

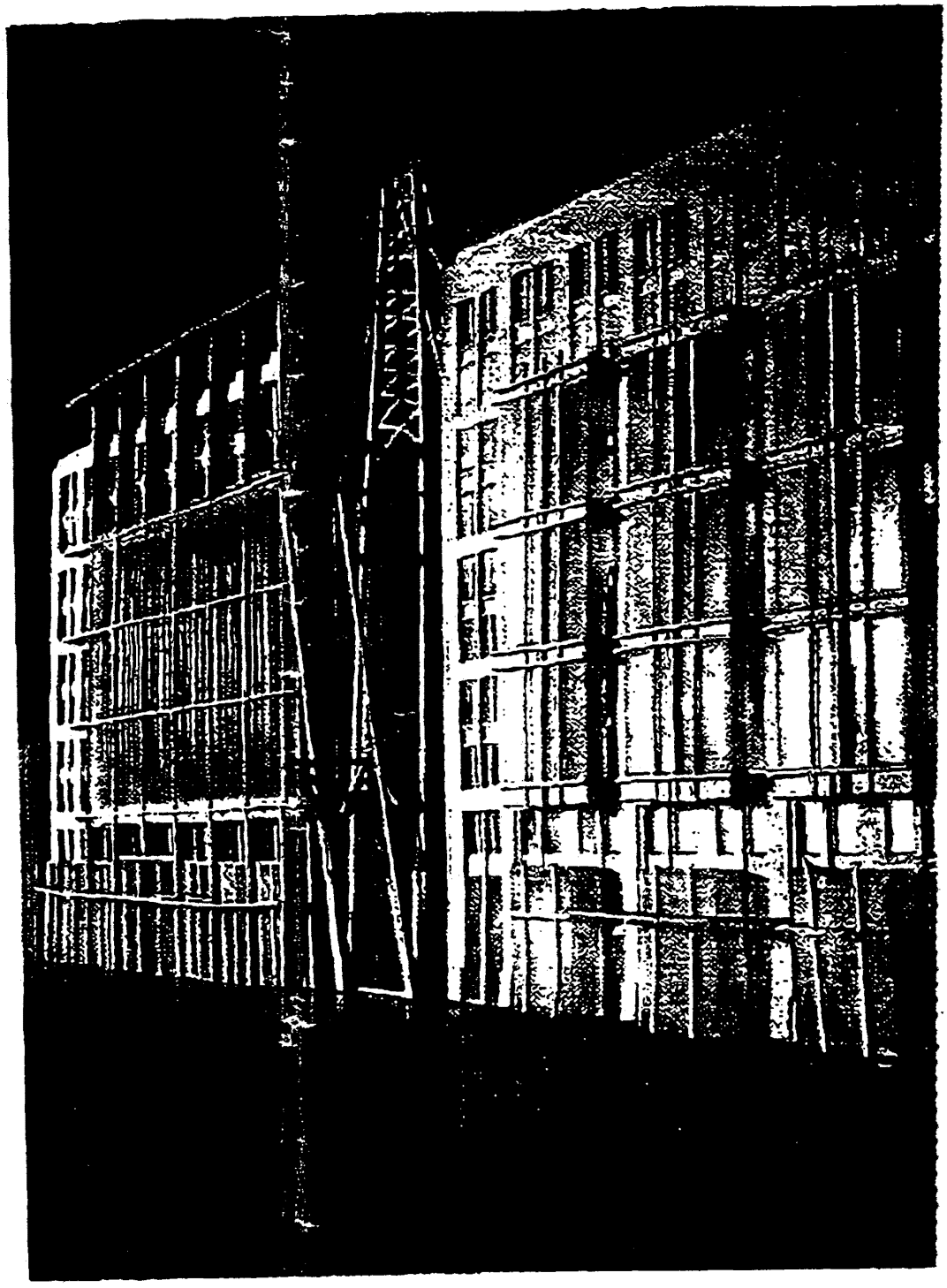
The flanking façade has also been adjusted to relate to the proportional system of the AARP building, with one-story storefronts below double-height windows. Above the arcade, the façade is enlivened with vertical bays similar to those of the street façade. These bays also relate to the proportions of the AARP façade. Symmetrical facades and complementary materials are proposed at the interior courtyard to unify the architectural composition.

The new proposal is altogether more successful, both better related to the existing arcade and more daring in its invention. Like the best feats of engineering, it is inseparable in its structural and architectural expression. The whole precarious contraption of tower, cables, suspended globe, and canted piers is exciting in the same exuberant spirit as the Victorian commercial downtown. And it is sufficiently dramatic to balance the massive triumphal arch at the opposite entrance to the arcade.

Details of design and execution will of course need to be further developed. In particular, the juncture of the arcades at the central courtyard remains a critical feature, and since construction will follow completion of both new buildings, appropriate agreements are needed to ensure execution of a fully coordinated design. The three property owners have already agreed to record a single lot of record as an important step in this coordination.

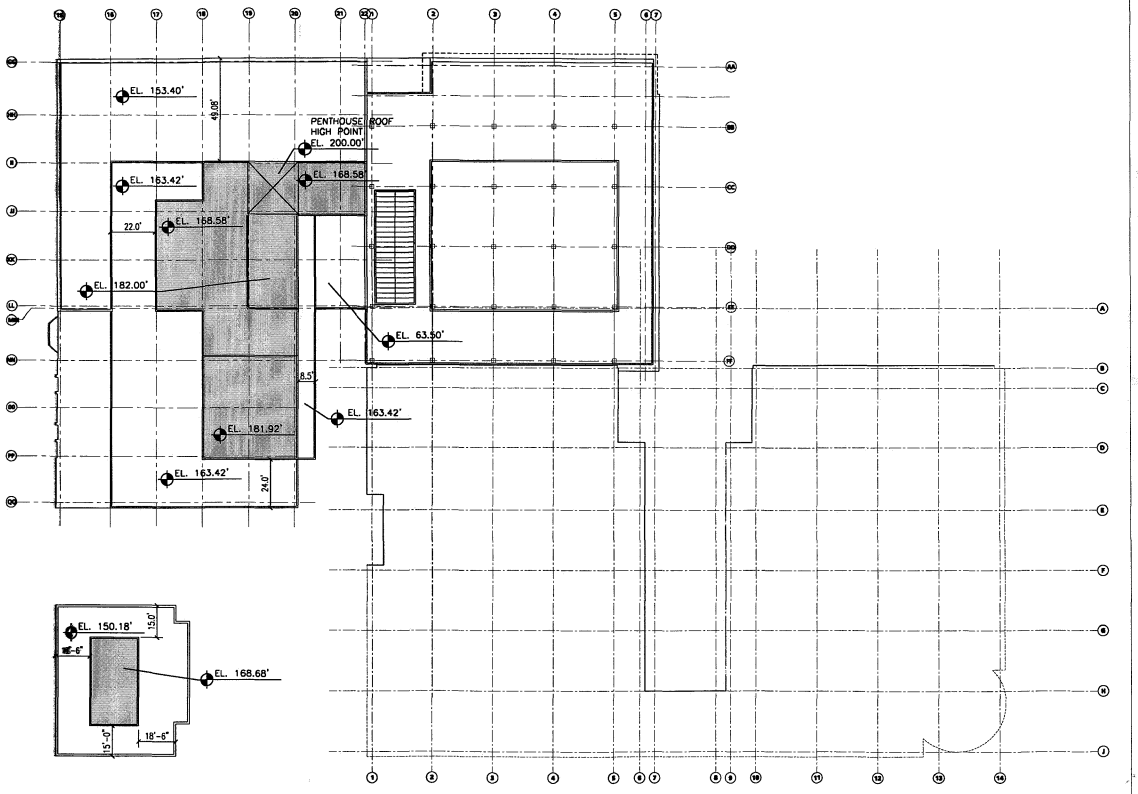
Recommendation

The staff recommends that the Board approve the arcade and revised project in concept, and encourage the applicant to continue working with the staff as plans are developed.



C

ROOF STRUCTURES - 1998 APPROVAL



SHADED AREAS INDICATE PENTHOUSE ROOFS

SQUARE 456
WASHINGTON, DC

CarrAmerica

SmithGroup

SmithGroup Incorporated
1625 Eye Street NW
Suite 250
Washington, DC 20006
t 202.842.2100
f 202.974.4500
www.smithgroup.com

Issued for	Rev	Date
BZA MODIFICATION		10/15/00

Seals and Signatures

Key Plan

Project North

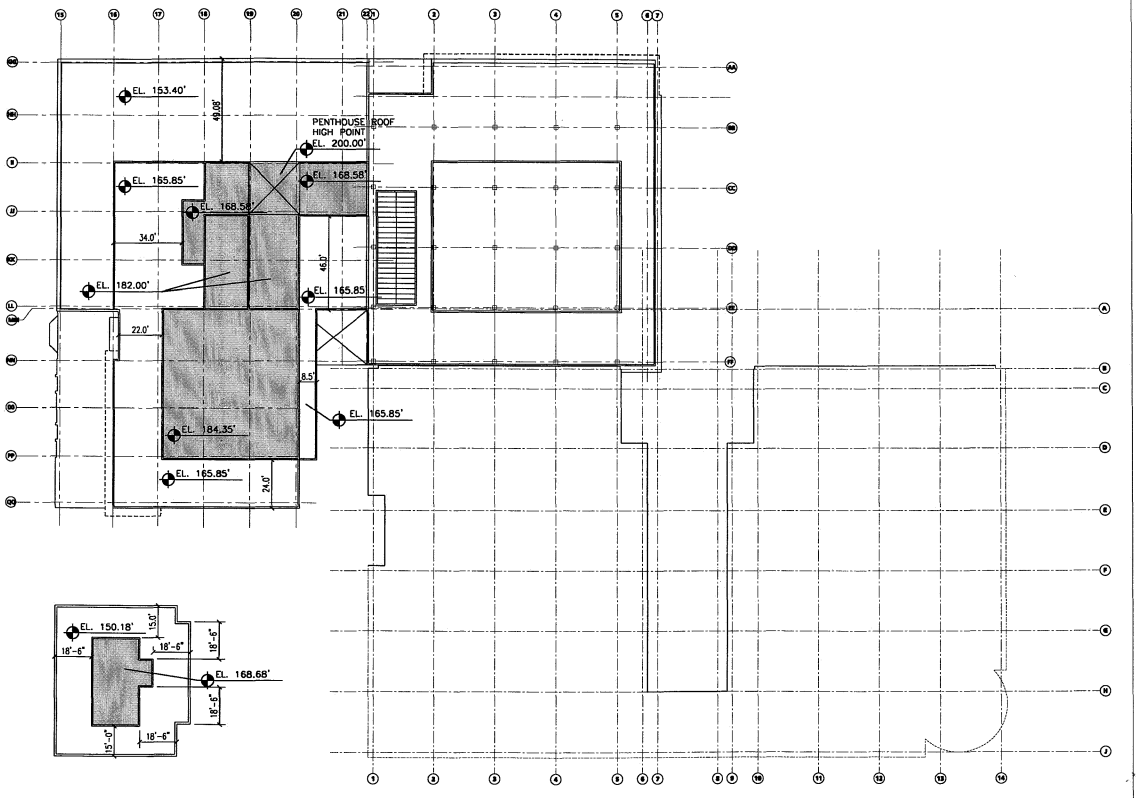
Drawing Title
ROOF PLAN

1/16"=1'-0"
Scale

25268
Project Number

A2-17
Drawing Number

ROOF STRUCTURES - CURRENT SCHEME



SHADED AREAS INDICATE PENTHOUSE ROOFS

SQUARE 456
WASHINGTON, DC

CarrAmerica

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Issued for	Rev	Date
BZA MODIFICATION	—	10/19/00

Seals and Signatures

Key Plan

Project North

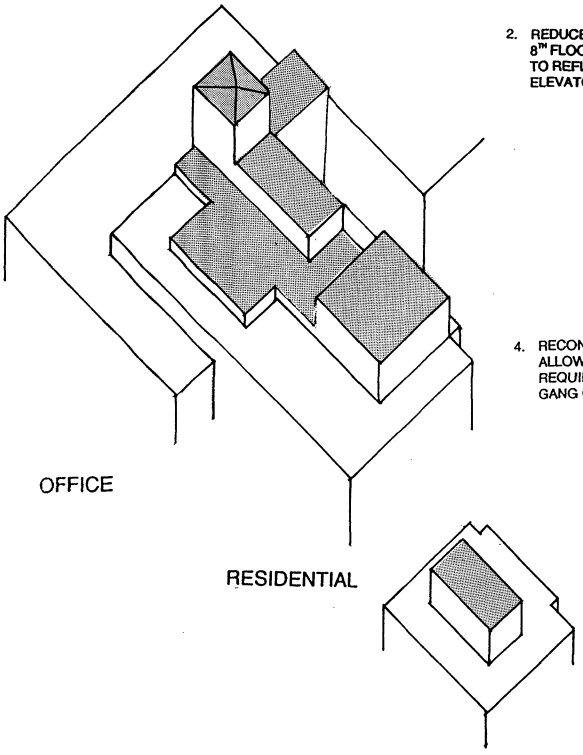
Drawing Title
ROOF PLAN

1/16"=1'-0"
Scale

25268
Project Number

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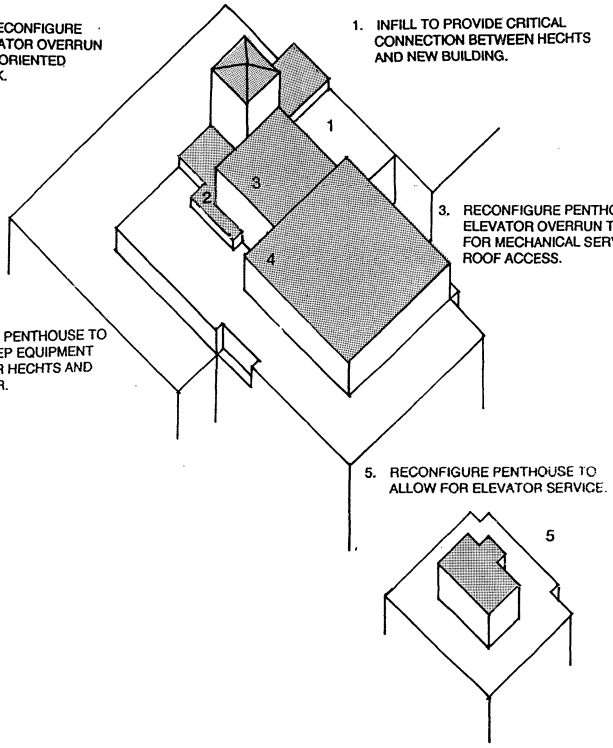
1998 APPROVAL



2. REDUCE AND RECONFIGURE 8TH FLOOR ELEVATOR OVERRUN TO REFLECT REORIENTED ELEVATOR BANK.

4. RECONFIGURE PENTHOUSE TO ALLOW FOR MEP EQUIPMENT REQUIRED FOR HECHTS AND GANG OF FOUR.

CURRENT SCHEME



1. INFILL TO PROVIDE CRITICAL CONNECTION BETWEEN HECHTS AND NEW BUILDING.

3. RECONFIGURE PENTHOUSE ELEVATOR OVERRUN TO ALLOW FOR MECHANICAL SERVICE AND ROOF ACCESS.

5. RECONFIGURE PENTHOUSE TO ALLOW FOR ELEVATOR SERVICE.

SHADED AREAS INDICATE PENTHOUSE ROOFS

SQUARE 456
WASHINGTON, DC

CarrAmerica

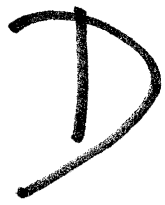
SmithGroup

BZA MODIFICATION 10/18/00

ROOF STRUCTURE COMPARISON DATA

NONE

Scale: 3/32"



GOLDEN RULE PLAZA, INC.
c/o The Bible Way Church
1100 New Jersey Avenue, NW
Washington, DC 20001

Alicia A. Terry, President
(O) (202) 828-2441

October 16, 2000

Ms. Shelia Cross-Reid, Chair
Board of Zoning Adjustment
441 4th Street, NW
Room 210
Washington, DC 20001

Re: BZA Application Number 16387

Dear Ms. Reid:

The purpose of this letter is to request a six-month extension of an escrow agreement established for the benefit of Golden Rule Plaza based upon a BZA Application No. 16387 by Square 456 Associates. An escrow account was established approximately two years ago with $500,000 for use by Golden Rule Plaza, Inc. for the development of a senior housing project. The development of this property has taken longer than anticipated and we respectfully request an extension to complete the financing with the District of Columbia Housing Finance Agency (DCHFA).

This is an exceptional development for low- and moderate-income seniors that will address a very specific and dire housing need in Washington, DC. Golden Rule Plaza Apartments project is the construction of a 131-unit affordable senior housing property located at the intersection of K Street and New Jersey Avenue, NW. The development is adjacent to the Bible Way Church. The building design is complete and this exciting development will contain 12 efficiencies, 106 one-bedroom and 12 two-bedroom units. This will be a high quality new construction project with amenities for seniors.

The Golden Rule Plaza project will be owned by a limited partnership of which Golden Rule Plaza, Inc., an affiliate of the Bible Way Church, will be the general partner. A strong development team has been assembled consisting of Community Preservation and Development Corporation (CPDC), as development manager and special limited partner. CPDC is a 501(c)(3) nonprofit housing developer and community service provider with over ten years of affordable housing development experience. In addition, CPDC is part of the development team selected to renovate the Clifton Terrace Apartments and received a bench decision approval in BZA Application No. 16612 for that important project. TrizecHahn will be the construction manager and Tompkins Builders, a full-service construction company has been selected as the general contractor. Shelter Group,

Inc., a national development and property management company specializing in conventional properties, low-income housing tax-credit properties, and senior housing development, has been selected as the property management agent.

The development team was recently restructured and this new team is in constant communication with the appropriate District of Columbia officials as to the best methods to move this project forward as expeditiously as possible. This project has the full support of DCHFA and DHCD.

The project is in the final stages of development and we expect to close within six months of December 3, 2000. Thank you for your assistance in this matter.

Sincerely,

Alicia A. Terry
President