

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Zoning Commission



ZONING COMMISSION FOR THE DISTRICT OF COLUMBIA
ZONING COMMISSION ORDER NO. 14-04

Z.C. Case No. 14-04

Professional Associates and International Finance Corporation
(Consolidated Planned Unit Development and Related Zoning Map Amendment
@ Square 74)
November 10, 2014

Pursuant to proper notice, the Zoning Commission for the District of Columbia (“Commission”) held a public hearing on July 31, 2014 to consider an application by Professional Associates and the International Finance Corporation (“IFC”) (together, the “Applicant”) for consolidated review and approval of a planned unit development (“PUD”) for the entirety of Square 74 (the “Application”). The Commission considered the Application pursuant to Chapter 24 and Chapter 30 of the District of Columbia Zoning Regulations, Title 11 of the District of Columbia Municipal Regulations (“DCMR”). The public hearing was conducted in accordance with the provisions of 11 DCMR § 3022. The Commission approves the Application, subject to the conditions below.

FINDINGS OF FACT

Application, Parties, and Hearing

1. The project site consists of the entirety of Square 74 (Lots 49, 832, and 840) (“Property”) and is bounded by Pennsylvania Avenue N.W., 21st Street N.W., K Street N.W., and 22nd Street N.W.
2. On March 5, 2014, the Applicant filed an application for consolidated review and approval of a PUD. (Exhibit [“Ex.”] 2.)
3. During its public meeting on April 15, 2014, the Commission unanimously voted to set down the Application for a public hearing. Notice of the public hearing was published in the *D.C. Register* on June 13, 2014 and was mailed to Advisory Neighborhood Commission (“ANC”) 2A and to owners of property within 200 feet of the Property.
4. The Application was further updated by pre-hearing submissions filed on May 19, 2014 and July 11, 2014. (Ex. 11, 20.)

5. A public hearing was conducted on July 31, 2014. The Commission accepted Shalom Baranes as an expert in the field of architecture and Erwin Andres as an expert in the field of traffic engineering. The Applicant provided testimony from these experts as well as from a representative of Professional Associates on behalf of the Applicant.
6. In addition to the Applicant, ANC 2A was automatically a party in this proceeding and submitted a report in support of the Application. (Ex. 24.) The Commission received no other requests for party status.
7. At the hearing, the Commission heard testimony and received evidence from the Office of Planning (“OP”), the District Department of Transportation (“DDOT”), and ANC 2A in support of the application. (Ex. 22-24, 29.) The West End Citizens Association (“WECA”) submitted a letter indicating concerns regarding the proposed amenities package. (Ex. 21.) The Commission heard no other testimony from persons in support of or in opposition to the Application.
8. At the close of the hearing, the Commission asked the Applicant to address certain design issues and concerns and permitted the Applicant to state its final position on the applicability of housing linkage to the development and to request any flexibility it considered available as a result of its costs to acquire transferable development rights (“TDRs”) for the project. The Applicant stated its position on these issues in a post-hearing submission dated September 15, 2014. (Ex. 32.)
9. DDOT submitted a supplemental report dated September 22, 2014. (Ex. 36.)
10. At its public meeting on September 29, 2014, the Commission took proposed action to approve the Application and plans that were submitted into the record. The Commission also determined the proper method for crediting the Applicant’s cost for acquiring TDRs in calculating its housing linkage contribution, and determined that the Applicant’s request for bonus density exceeded what could be granted pursuant to § 2405.3 of the Zoning Regulations.
11. The proposed action of the Commission was referred to the National Capital Planning Commission (“NCPC”) pursuant to § 492 of the Home Rule Act. No response was received from NCPC.
12. The Applicant submitted its list of proffers and draft conditions on October 6, 2014. (Ex. 37.) The Applicant submitted its final list of proffers and draft conditions on October 20, 2014. (Ex. 39.)
13. The Commission took final action to approve the Application on November 10, 2014.

THE MERITS OF THE APPLICATION

Overview of the Property

14. The Property consists of approximately 83,201 square feet of land area. The northeast corner of the Property (the “Development Site”) is located at the intersection of 21st Street and K Street, and it is currently improved with a nine-story commercial office building and a portion of a private alley. The remainder of the Property is improved with the IFC’s international headquarters and the remaining portion of the private alley. (Ex. 2.)
15. The entrance to the Foggy Bottom-GWU Metrorail Station is approximately three blocks to the southwest of the Property. (Ex. 2.)
16. The Property is generally surrounded by high-density commercial office buildings. The Commission recently approved a PUD and map amendment to the C-4 Zone District to permit the construction of a new commercial office building in Square 75, immediately to the south of the Property. (Ex. 2; see Z.C. Order No. 06-11G/06-12G (2013).)
17. The Property is located in the C-3-C Zone District. The Property is also located in the New Downtown Receiving Zone, which consists of the C-3-C- zoned portions of Squares numbered 72 through 74, 76, 78, 85, 86, 99, 100, and 116 through 118. (See 11 DCMR 1709.16.)
18. Property to the north and east is also located in the C-3-C Zone District and in the New Downtown Receiving Zone.
19. The Future Land Use Map designates the Property in the High-Density Commercial Land Use Category. Property to the north and east is also located in the High-Density Commercial Land Use Category.

The Project

20. The Applicant requested approval to construct an 11-story commercial office building with approximately 4,000 square feet of space devoted to retail or service uses (the “Project”). (Ex. 2.)
21. The Project has been massed and designed as a complementary but contrasting structure to the existing IFC headquarters. The Project will integrate with and function as an addition to the existing IFC headquarters. The Project will connect to the existing building as a single building for zoning purposes, and the underlying property will be combined into a single lot of record. (Ex. 2.)

22. The Project includes approximately 48 parking spaces, accessed from a curb cut located on 21st Street. The Applicant submitted plans demonstrating that the parking entrance could not be located off the private alley due to the topography and small footprint of the Development Site. (Ex. 11, 32.) DDOT testified that the proposed parking entrance, while not ideal, meets DDOT standards for curb cuts. Loading is accessed from the existing private alley. (Ex. 2.)
23. The Applicant's traffic expert submitted a transportation impact analysis that concluded that the proposed Project would not generate an adverse traffic impact on the surrounding roadway network or cause objectionable impacts in the surrounding neighborhood due to traffic or parking impacts. The Applicant's traffic consultant also concluded that the number of parking and loading spaces as well as the location of the parking and loading entrances would accommodate the parking and loading needs for the Project and not generate adverse or objectionable impacts on neighboring property. (Ex. 20, Tab C.)
24. The Project will be designed to meet the equivalent of a Gold rating under the LEED-CS 2009 rating system. (Ex. 2.) Although exempt from the Green Area Ratio ("GAR") requirements, the project will also meet the requirements for a 0.20 GAR on the Development Site through a green roof. To the extent that the Project cannot accommodate the green roof required to meet 0.20 GAR for the Development Site, additional green roof area will be constructed on the IFC headquarters to meet this goal. (Ex. 2.)
25. The total gross floor area for the Project is approximately 154,765 square feet; when added to the existing IFC headquarters, the combined building will have a total floor area ratio ("FAR") of approximately 10.49 and a lot occupancy of approximately 99%. The Project will reach a maximum height of approximately 130 feet as measured from the existing measuring point on Pennsylvania Avenue, N.W. (Ex. 2.)

Housing linkage Requirement and PUD Flexibility Requested

26. As noted, the property is located in a C-3-C Zone District and therefore is ordinarily subject to a matter-of-right density limit of 6.5 FAR (§ 771.2) and a PUD FAR limit of 8.0 (§ 2405.2). The property is also located in the New Downtown Receiving Zone established by § 1709.16. A property in a receiving zone may increase its matter of right height and FAR through obtaining transferrable development rights ("TDRs"). Such TDRs are generated by properties mapped in the Downtown Development Overlay District by the construction of residential or bonus uses or as a result of historic preservation limits or historic preservation activities.
27. Subsection 1709.21 permits certain properties in the New Downtown Receiving Zone, including the Applicant's, to use TDRs to achieve a height of 130 feet and a density of 10.0 FAR.

28. An additional 0.5 FAR is permitted for this property by § 1709.24, which provides in part:

In addition to the matter-of-right transfers authorized by this section, a lot that is approved and developed as a Planned Unit Development pursuant to chapter 24 of this title may serve as a receiving lot for transferable development rights; provided:

(b) The ... maximum permitted FAR shall be 10.5 for buildings permitted a height of one hundred thirty feet (130 ft.)

29. The Applicant initially requested approval to construct an office building to a maximum density of 10.49 FAR pursuant to § 1709.24. (Ex. 2, 20.)
30. The Comprehensive Plan imposes a housing linkage requirement “whenever the Zoning Commission approves a discretionary and otherwise appropriate zoning density increase which results in the provision of additional commercial office space.” (D.C. Official Code § 1-306.33.) The Commission adopted implementing regulations that appear at 11 DCMR § 2404.
31. Because the Commission must approve the transfer of § 1709.24 TDRs, and because the additional density will be used for office uses, the Applicant is subject to housing linkage unless an exemption applies.
32. An applicant that is subject to a housing linkage requirement “may either provide the required housing by means of new construction or rehabilitation ... or make a financial contribution” to a housing trust fund. (11 DCMR § 2404.3.) The Applicant has indicated its preference to contribute to a housing trust fund.
33. A housing trust fund contribution must equal one-half of the assessed value of the increase in permitted gross floor area for office use. (§ 2404.7.) Both OP and the Applicant agree that the additional 0.49 FAR of density equals 41,776 square feet of gross floor area and that the assessed value of this additional square footage equals \$5,280,446. Therefore the Applicant ordinarily would have to contribute \$2,640,223 to an eligible housing trust fund unless an exemption applied.
34. The Applicant contended that the property was exempt from the housing linkage requirement by virtue of 11 DCMR § 2404.4 (c), which exempts properties “located within the boundaries of the Downtown Development Overlay District provisions of chapter 17 of this title.” The Applicant asserts that because the Property is located within a receiving zone established by chapter 17, it is “located within the boundaries of the ... provisions of chapter 17.”

35. The Commission concludes that a property located in a receiving zone does not fall within this exception. Section 2404 was intended only to implement the housing linkage provision of the Comprehensive Plan; not to expand its exemptions. The most analogous provision in the Comprehensive Plan only exempts “a development that already is subject to a housing, retail, arts, or historic preservation requirement pursuant to the zoning regulations set forth in the Downtown Development District.” (D.C. Official Code § 1-306.41 (6).) The Property is subject to no such requirement and therefore the exemption does not apply.
36. In anticipation of the potential for this ruling, the Applicant requested that the Commission either (a) reduce the housing linkage contribution of \$2,640,223 by the Applicant’s cost to acquire the TDRs needed to achieve the additional 0.49 FAR, rather than the traditional method of subtracting TDR costs from the assessed value of the increased density (in this case \$5,280,446) before that figure is divided by two; or (b) permit the Applicant to modify the application to eliminate the proposal to use TDRs to achieve the additional 0.49 FAR, and instead request the Commission utilize its discretion to approve the additional 4.9% increase in density (0.49 FAR) it asserted was available pursuant to § 2405.3 of the Regulations. (Ex. 32.)
37. As to the issue of calculating the TDR credit, the Commission understands that the traditional means of doing so is to first subtract the TDR costs from the assessed value of the density increase and then divide the resulting figure by two. The Applicant instead would first divide the assessed value of the additional density by two and then subtract its TDR costs. The Applicant can point to no instance in which such a calculation was used and the Commission does not believe it serves any purpose to diverge from the traditional calculation. Therefore, for this application, the Applicant linkage contribution is the amount equal to one-half of the total of: (a) \$5,280,446, the assessed value of the increased commercial density less (b) the Applicant’s costs to purchase of 41,776 square feet of TDRs.
38. As an alternative to making this contribution, the Applicant requested that the Commission use its authority under the PUD regulation to grant the additional .49 FAR. This would result in a housing linkage contribution of \$2,640,223, but obviate the need to purchase TDRs.
39. In support of its position that such an increase is permissible, the Applicant cites § 2405.3, which in pertinent part provides:

2405.3 The Commission may authorize the following increases ...:

(b) not more than five percent (5%) in *the maximum floor area ratio*.

(Emphasis added).

40. The Applicant argues that the TDR provisions allowed the Property a “maximum floor area ratio” of 10, which § 2405.3 permits the Commission to increase by five percent.

41. However, § 2405.2 provides in pertinent part:

2405.2 The floor area ratio of all buildings shall not exceed the aggregate of the floor area ratios as permitted in the *several zone districts* included within the project area; provided, that the Commission may authorize minor deviations for good cause pursuant to § 2405.3:

FLOOR AREA RATIO (FAR)			
ZONE DISTRICT	RESIDENCE	COMMERCIAL, INCLUDING HOTELS AND MOTELS	TOTAL
C-3-C	8.0	8.0	8.0

42. The Commission concludes that the term “maximum floor area ratio” as used in § 2405.3 refers to the maximum FAR figures listed in § 2405.2. In this case, because the property is located in a C-3-C Zone District, the Commission cannot grant more than a five percent increase in the maximum 8.0 FAR permitted by § 2405.2. Put another way, the Commission cannot use § 2405.3 to increase the density of a property in a C-3-C Zone District above an 8.4 FAR. It is therefore beyond the Commission’s authority to increase the Property’s maximum density to 10.49 FAR.

43. The Applicant initially requested no other flexibility from the Zoning Regulations in order to accommodate the proposed design of the Project. (Ex. 2.) However, after the close of the hearing and in response to the Commission’s request to restudy the proposed architectural embellishment, the Applicant eliminated the architectural embellishment and modified the design to step down the front portion of the roof structure. Accordingly, in the Applicant’s posthearing submission, the Applicant requested flexibility to permit a roof structure with varying heights. (Ex. 32.)

44. The Applicant also requested additional, limited flexibility to modify specified design details of the Project as is set forth in the conditions of approval.

Project Amenities and Public Benefits

45. As detailed in the Applicant's testimony and written submissions, the proposed Project will implement the following project amenities and public benefits:
- (a) Exemplary urban design, architecture, and landscaping, including high-quality materials, pedestrian-oriented streetscape improvements, and sustainable features; (Ex. 2.)
 - (b) Site planning and efficient land utilization, through the redevelopment of a strategic underutilized site located along K Street, N.W. near the Foggy Bottom-GWU Metrorail station; (Ex. 2.)
 - (c) Effective and safe vehicular and pedestrian access and transportation management measures, including 39 bicycle parking spaces within the building, a transit screen in the building in the office lobby, and showers and changing facilities for employees. (Ex. 2; Transcript ["Tr."] July 31, 2014 at 28.) The Applicant will also implement Transportation Demand Management ("TDM") Plan that will: identify a TDM coordinator for planning, construction, and operations, and provide DDOT/Zoning Enforcement with annual TDM coordinator contact updates; post all TDM commitments on IFC intranet, publicize availability to employees, and allow employees to see what commitments have been promised (including providing website links to CommuterConnections.com and godcgo.com and information regarding nearby transit, carsharing, and bikesharing services on the IFC intranet); and provide reserved spaces for carpools that are conveniently located with respect to elevators serving the building;
 - (d) Housing and affordable housing, through the direct contribution equal to \$5,280,446 minus the Applicant's costs to purchase 41,776 square feet of TDRs, with the difference divided by one-half to a housing trust fund. Although required, the housing linkage contribution would not otherwise be made under a matter of right project, and thus qualifies as a public benefit of the PUD. (See 11 DCMR § 2403.6; see also Z.C. Order No. 13-04 at p. 9.) Further, § 2403.14 recognizes compliance with § 2404 as a public benefit and the Comprehensive Plan itself requires that the "the Zoning Commission ...shall consider an applicant's compliance with the housing linkage' requirements ...as providing public amenities associated with an applicant's project"; (§ 1-306.40.)
 - (e) Environmental benefits, through the development of a building to the equivalent of a Gold rating under the LEED-CS 2009 rating system; and (Ex. 2.)
 - (f) Uses of special value, including:

- (i) \$50,000 to the Foggy Bottom/West End Village for its Medical Advocacy Program;
- (ii) \$105,881 to Cultural Tourism DC for the planning, research, and graphic design for the development of the North Loop of the Foggy Bottom Heritage Trail;
- (iii) Community meeting space within the existing IFC headquarters, subject to certain restrictions; and
- (iv) Approximately 4,000 square feet of retail space.

(Ex. 20.)

Compliance with PUD Standards

- 46. In evaluating a PUD application, the Commission must “judge, balance, and reconcile the relative value of project amenities and public benefits offered, the degree of development incentives requested, and any potential adverse effects.” The Commission finds that the development incentives for the density and flexibility are appropriate and fully justified by the additional public benefits and project amenities proffered by the Applicant. The Commission finds that the Applicant has satisfied its burden of proof under the Zoning Regulations regarding the requested flexibility from the Zoning Regulations and satisfaction of the PUD standards and guidelines as set forth in the Applicant’s statement and the OP report. (Ex. 2, 23, 32.)
- 47. The Commission credits the testimony of the Applicant and its architectural experts as well as OP, DDOT, and ANC 2A, and finds that the superior design, site planning, transportation planning, sustainable design features, housing and affordable housing, and uses of special value all constitute acceptable project amenities and public benefits.
- 48. The Commission finds that the Project is acceptable in all proffered categories of public benefits and project amenities, and is superior in public benefits and project amenities relating to urban design, landscaping and open space, housing and affordable housing, site planning, transportation planning, environmental benefits, and uses of special value to the neighborhood and District as a whole.
- 49. The Commission credits the testimony of ANC 2A that the Project will provide benefits and amenities of substantial value to the community and the District. The Commission disagrees with the testimony of WECA that the proposed amenities package is inconsistent with the requirements of either the Zoning Regulations or the Comprehensive Plan.

- (a) First, all of the elements of the amenities package negotiated with ANC 2A – the medical advocacy program, the heritage trail, the community meeting space, and the retail space – will all be located within the boundaries of ANC 2A, as required by § 2403.13;
 - (b) Second, nothing in the portion of the Comprehensive Plan cited by WECA indicates a requirement that a majority of the benefits accrue to the community in which the PUD is located.¹ All that the Plan requires is that a “substantial” part of public benefits accrue to the affected community. Here, the public benefits package consisted of hundreds of thousands of dollars of benefits and was specifically approved by ANC 2A, which indicates that the affected ANC concluded the package was adequately “substantial” for the community; and
 - (c) Third, the Zoning Regulations specifically provide that, in the case of off-site affordable housing, such benefit must be provided in accordance with the housing linkage provisions of the Zoning Regulations and D.C. law. (11 DCMR § 2403.14.) Put another way, once the Commission concluded that housing linkage was required, the Applicant was bound to provide such housing in accordance with the Zoning Regulations, and had no control over the amount of the contribution or the community that might benefit from it. The Commission credits the testimony of ANC 2A that the amenities package is sufficient and significant, and reflected community preferences and priorities.
50. The Commission finds that the character, scale, mix of uses, and design of the Project are appropriate, and finds that the site plan is consistent with the intent and purposes of the PUD process to encourage high-quality developments that provide public benefits. Specifically, the Commission credits the testimony of the Applicant and the Applicant’s architectural and transportation planning experts that the PUD represents a strategic use of a transit-oriented parcel located near a Metrorail station entrance.
51. The Commission credits OP’s testimony that the impact of the PUD on the level of services will not be unacceptable.
52. The Commission credits the testimony of the Applicant’s traffic consultant and DDOT and finds that the traffic, parking, and other transportation impacts of the Project on the

¹ As codified at 10A DCMR §2502.12, the Comprehensive Plan provision states “that a substantial part of the amenities proposed in the ... [PUD] shall accrue to the community in which the PUD would have an impact.” The Commission assumes that the reference to “amenities” was intended to refer to all public benefits rather than just amenities, which the Zoning Regulations describe as “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.)

surrounding area are capable of being mitigated through the measures proposed by the Applicant and are acceptable given the quality of the public benefits of the PUD.

53. The Commission credits the testimony of the Applicant and OP regarding the compliance of the Project with the District of Columbia Comprehensive Plan. The development is fully consistent with and furthers the goals and policies in the map, citywide, and area elements of the Plan, including:
- (a) Designation of the Property as High Density Commercial use on the Future Land Use Map as well as provisions of the Framework Element that explicitly state that density and height gained through the PUD process are bonuses that may exceed the typical ranges listed in the Plan;
 - (b) Land Use Element policies promoting redevelopment around Metrorail stations and concentration of commercial development in and around the Central Employment Area;
 - (c) Economic Development Element policies supporting the major economic impact of the IFC and other World Bank Group organizations as well as generally promoting additional office space in the downtown core;
 - (d) Housing Element policies promoting funding for affordable housing;
 - (e) Other policies in the Transportation, Environmental, and Urban Design Elements related to the Land Use policies and goals stated above; and
 - (f) Policies in the Near Northwest Area Element regarding location of commercial development away from residential neighborhoods and encouraging institutions to “build up” on existing property.

Agency Reports

54. By report dated July 22, 2014 and by testimony at the public hearing, OP recommended approval of the application subject to conditions. (Ex. 23.) OP supported the height and massing of the Project as appropriate given the location in an intensely developed commercial area within close proximity to Metrorail and Metrobus. OP concluded that the PUD was not inconsistent with the Property’s Policy Map and Future Land Use Map designations in the Comprehensive Plan and would further the Land Use, Housing, Economic Development, and Environment Elements. OP evaluated the PUD under the evaluation standards set forth in Chapter 24 of the Zoning Regulations and concluded that the Project’s benefits and amenities package was appropriate given the size and nature of the PUD.

- (a) OP requested that the Applicant agree to DDOT's proposed TDM measures, which the Applicant has agreed to do;
 - (b) OP also requested that the Applicant agree to fulfill the housing linkage requirement. The Commission has determined that the housing linkage requirement applied to the Applicant, and the Applicant has indicated that it will comply with the requirement; and
 - (c) Finally, OP requested that the Applicant commit to enter into First Source Employment and CBE agreements. The Applicant indicated that it was not willing to agree to these provisions, and cited the financial burden of the housing linkage requirement. The Commission concludes that the First Source Employment and CBE agreements are not necessary here given the extent of the amenities package, the housing linkage requirement, and the limited flexibility requested by the Applicant.
55. By report dated July 21, 2014 and by testimony at the public hearing, DDOT recommended approval of the PUD. (Ex. 22, 36.) DDOT found that the site design would minimize impact on the external roadway network, the traffic analysis was sound, and the Project would generally facilitate multimodal access through proximity to transit and long-term bicycle parking. DDOT requested that the Applicant agree to install a transit screen in the office lobby and incorporate showers and changing facilities for employees within the office building, and the Applicant agreed to these conditions.

ANC 2A Report

56. At a regularly scheduled and duly noted public meeting on July 16, 2014, with a quorum present, ANC 2A voted to support the proposed PUD. (Ex. 24.) The ANC concluded that the density sought was not incompatible with the surrounding area and had no objection to the design of the Project. The ANC noted that the Applicant reached out to the ANC early to discuss the PUD's amenities package, and concluded that the proposed package reflected a responsiveness to the community's goals that the value of the amenities be commensurate with the additional density being sought and the type of amenities proposed be responsive to the community's interest. ANC 2A conditioned its support on the Applicant's agreement to waive the requirement for photo identification for use of the proposed community meeting space. The Applicant agreed to this condition.

Other Testimony

57. The West End Citizens Association submitted a letter that did not object to the Project but raised concerns regarding the proposed amenities package as follows:

- (a) WECA argued that the proposed amenities package did not comply with the requirement that a substantial portion of the amenities accrue to the affected community. As set forth above, the Commission does not agree with WECA's claim; and
- (b) WECA also requested that the Commission encourage the Applicant to provide funding for elevators for a second entrance to the Foggy Bottom-GWU Metrorail station. The Commission declines to do so here. The Commission has consistently held that "that it cannot require that Applicant agree to augment its public benefits in this way. Proffered public benefits are either sufficient or they are not. It is not the obligation of the Commission to cure a deficient public benefits package." (Z.C. Order No. 06-11G/06-12G at p. 20.) In that case, the Commission rejected an almost identical request by WECA, noting that the proffered benefits sufficed. The Commission makes the same finding here.

CONCLUSIONS OF LAW

1. Pursuant to the Zoning Regulations, the PUD process provides a means for creating a "well-planned development." The objectives of the PUD process are to promote "sound project planning, efficient and economical land utilization, attractive urban design and the provision of desired public spaces and other amenities." (11 DCMR § 2400.1.) The overall goal of the PUD process is to permit flexibility of development and other incentives, provided that the PUD project "offers a commendable number or quality of public benefits, and that it protects and advances the public health, safety, welfare, and convenience." (11 DCMR § 2400.2.)
2. Under the PUD process, the Commission has the authority to consider this application as a consolidated PUD. (11 DCMR § 2402.5.) The Commission may impose development conditions, guidelines and standards that may exceed or be less than the matter-of-right standards identified for height, FAR, lot occupancy, parking, loading, yards, and courts. The Commission may also approve uses that are permitted as special exceptions and would otherwise require approval by the Board of Zoning Adjustment. (11 DCMR § 2405.)
3. The proposed PUD meets the minimum area requirements of 11 DCMR § 2401.1.
4. Proper notice of the proposed PUD was provided in accordance with the requirements of the Zoning Regulations.
5. The development of the Project will implement the purposes of Chapter 24 of the Zoning Regulations to encourage well-planned developments that will offer a variety of building types with more attractive and efficient overall planning and design not achievable under matter-of-right standards. Here, the height, character, scale, mix of uses, and design of

the proposed PUD are appropriate, and the proposed construction of an attractive commercial office building that complements the design of the existing IFC headquarters and capitalizes on the Property's transit-oriented location is compatible with the citywide and area plans of the District of Columbia.

6. The Commission has judged, balanced, and reconciled the relative value of the project amenities and public benefits offered, the degree of development incentives requested, and any potential adverse effects, and concludes approval is warranted for the reasons detailed below.
7. The PUD is within the applicable height and bulk standards of the Zoning Regulations. The proposed height and density will not cause an adverse effect on nearby properties, are consistent with the height and density of surrounding and nearby properties, and will create a more appropriate and efficient utilization of land near the commercial core and near a Metrorail station. The proposed commercial uses are also appropriate for the site's location.
8. The project provides superior features that benefit the surrounding neighborhood to a significantly greater extent than a matter-of-right development on the Property would provide. The Commission finds that the urban design, site planning, efficient and safe traffic circulation, sustainable features, housing and affordable housing, retail, and other uses of special value all are significant public benefits. The impact of the project is acceptable given the quality of the public benefits of the Project.
9. The impact of the Project on the surrounding area and the operation of city services are not unacceptable. The Commission agrees with the conclusions of the Applicant's traffic expert and DDOT that the proposed project will not create adverse traffic, parking, or pedestrian impacts on the surrounding community. The application will be approved with conditions to ensure that any potential adverse effects on the surrounding area for the Project will be mitigated.
10. Approval of the PUD is not inconsistent with the Comprehensive Plan. The Commission agrees with the determination of OP and finds that the proposed project is consistent with the Property's High Density Commercial Designation on the Future Land Use Map and furthers numerous goals and policies of the Comprehensive Plan in the Land Use Element, Economic Development, Housing Element, and other citywide elements and policies as delineated in the OP Report.
11. The PUD for the Property will promote orderly development of the Property in conformance with the District of Columbia zone plan as embodied in the Zoning Regulations and Map of the District of Columbia.

12. The Commission is required under § 5 of the Office of Zoning Independence Act of 1990, effective September 20, 1990 (D.C. Law 8-163, D.C. Official Code §6-623.04) to give great weight to OP recommendations. OP recommended approval, provided that the Applicant agree to DDOT's TDM conditions, agree to provide housing linkage, and agree to enter into a CBE and First Source Employment Agreement. The Commission concludes that the Applicant has addressed the first condition by agreeing to DDOT's proposed TMD measures. The second condition, concerning compliance with housing linkage is required as a matter of law, and is included in this Order. The third condition is not warranted given the level of flexibility requested through the PUD. Accordingly, approval of the consolidated PUD should be granted.
13. In accordance with § 13(d) of the Advisory Neighborhood Commissions Act of 1975, effective March 26, 1976 (D.C. Law 1-21; D.C. Official Code § 1-309.10(d)), the Commission must give great weight to the written issues and concerns of the affected ANC. The Commission accorded the issues and concerns raised by ANC 2A the "great weight" to which they are entitled, and in so doing fully credited the unique vantage point that ANC 2A holds with respect to the impact of the proposed application on the ANC's constituents. ANC 2A recommended approval. Accordingly, the PUD should be approved.
14. The Applicant is subject to compliance with D.C. Law 2-38, the Human Rights Act of 1977.

DECISION

In consideration of the Findings of Fact and Conclusions of Law contained in this Order, the Zoning Commission of the District of Columbia **ORDERS APPROVAL** of the Application for consolidated approval of a PUD for the entirety of Square 74 ("Property"). This approval is subject to the following guidelines, conditions, and standards of this Order.

A. Project Development

1. This Project shall be developed in accordance with the plans marked as Exhibit 20, Tab A and Exhibit 32, Tab A of the record, as modified by guidelines, conditions, and standards herein.
2. The Project shall not exceed a density of 10.49 FAR. Pursuant to § 1719.24, the Commission approves the non-matter of right transfer of 41,776 square feet of TDRs to be acquired by the Applicant needed to increase the properties maximum density from 10 FAR to 10.49 FAR.
3. The Applicant shall have flexibility from the roof structure requirements of the Zoning Regulations as shown on the approved plans. (Ex. 32A.)

4. The Property shall be used for office use provided that at least 4,000 square feet of gross floor area is set aside for retail or service uses. After a term of 40 years from the effective date of this order, the Property may be used for any use permitted in the C-3-C Zone District provided that at least 4,000 square feet of gross floor area is set aside for retail or service uses.
5. The Project shall provide parking as shown on the approved plans, except that the Applicant shall be permitted to make alterations to the size and design of the underground parking garage, provided that the garage contains approximately 48 parking spaces, which requirement may be satisfied with any combination of accessible, full-sized, or compact spaces.
6. The Project shall provide a minimum of 39 bicycle parking spaces within the building. The Project shall also include showers and changing facilities for office building employees.
7. The Project shall include a transit screen in the office lobby.
8. The Project shall provide loading as shown on the approved plans.
9. The Applicant shall have flexibility with the design of the PUD in the following areas:
 - (a) To vary the location and design of all interior components, including partitions, structural slabs, doors, hallways, columns, stairways, mechanical rooms, elevators, and toilet rooms, provided that the variations do not change the exterior configuration or appearance of the structure;
 - (b) To vary final selection of the exterior materials within the color ranges, quality, and materials types as proposed based on availability at the time of construction;
 - (c) To vary the final streetscape design and materials if required by District public space permitting authorities;
 - (d) To make minor refinements to exterior details and dimensions, including belt courses, sills, bases, cornices, railings, and trim, or other similar changes required to comply with Construction Codes or that are otherwise necessary to obtain a final building permit, or to address the structural, mechanical, or operational needs of the building uses or systems;
 - (e) To vary the number, size, location, and design features of retail entrances and windows, including the size, location, and design of windows, doors,

awnings, canopies, and similar features, to accommodate the needs of specific retail tenants and storefront design, provided that the number of entrances or the amount of glazing at street level is not less than the amount shown on the approved plans;

- (f) To vary the number, size, location, and other features of proposed retail and building entrance signage, provided that such signage is otherwise permitted under the applicable provisions of the District of Columbia Municipal Regulations; and
- (g) To vary the height of the front portion of the roof structure between a height of 12' and 16' as well as the location of roof terrace doors.

B. Public Benefits

1. Sustainable Design. The Applicant shall submit with its building permit application a LEED checklist indicating that the Project includes sustainable design features such that the Project would be able to meet the standards for certification at a minimum of Gold rating on the LEED-CS 3.0 2009 rating system, although the Applicant is not required to seek such LEED Gold certification for the Project.
2. Community Meeting Space. The IFC shall continue to offer ANC 2A and members of the community the opportunity to use IFC's auditorium for public events. IFC will absorb the annual cost required to cover electricity, security, heating, air conditioning, and ventilation services as needed for these events. To balance the IFC's security and use concerns, the following guidelines apply to use of the auditorium:
 - (a) Events shall be limited to weekday evenings (after 6:00 p.m.) and weekends;
 - (b) No more than two public events per month;
 - (c) Advance notice of 30-60 days prior to scheduling of a public event;
 - (d) Advance notice of two weeks will be given by IFC to an external user if their event comes in conflict with important IFC business functions and the user event must be rescheduled; and
 - (e) Security screening for public event participants, including magnetometer, x-ray, or bag inspection), but ID verification shall not be required. Advance notice of the names of event participants is not necessary, but

providing such names within 24 hours in advance of the event will facilitate the check-in process.

3. Contributions to Community Organizations. Prior to the issuance of a building permit, the Applicant shall demonstrate that it has provided the following public benefits:
 - (a) Contribute \$50,000 to the Foggy Bottom/West End Village for its medical advocacy program; and
 - (b) Contribute \$105,881 to Cultural Tourism DC for the planning, research, and graphic design for the development of the North Loop of the Foggy Bottom Heritage Trail.

Compliance with the above conditions shall be demonstrated by letters from the recipients listed above stating that the items or services funded have been or are being provided.

4. Housing Linkage.
 - (a) The Applicant shall contribute to the Housing Production Trust Fund established under § 3 of the Housing Production Trust Fund Act of 1988, effective March 16, 1989 (D.C. Law 7-202; D.C. Official Code § 42-2802) or such other housing trust fund defined under § 2499.2 of the Zoning Regulations an amount equal to one-half of the total of: (i) \$5,280,446, the assessed value of the increased commercial density less (ii) the Applicant's costs to purchase of 41,776 square feet of TDRs; and
 - (b) Consistent with § 2404.9 of the Zoning Regulations, not less than one-half of the required total financial contribution shall be made prior to the issuance of a building permit, and the balance of the total financial contribution shall be made prior to the issuance of a certificate of occupancy.

C. Traffic Demand Management

1. The Applicant shall also provide the following Transportation Demand Management ("TDM") measures:
 - (a) Identify a TDM coordinator for planning, construction, and operations, and provide DDOT/Zoning Enforcement with annual TDM coordinator contact updates;

- (b) Post all TDM commitments on IFC intranet, publicize availability to employees, and allow employees to see what commitments have been promised including providing website links to CommuterConnections.com and godcgo.com and information regarding nearby transit, carsharing, and bikesharing services on the IFC intranet); and
- (c) Provide reserved spaces for carpools that are conveniently located with respect to elevators serving the building.

D. Miscellaneous

1. No building permit shall be issued for this project until the owner of the Property has recorded a covenant among the land records of the District of Columbia between the owners and the District of Columbia that is satisfactory to the Office of the Attorney General and the Zoning Division of the Department of Consumer and Regulatory Affairs. Such covenant shall bind the owner of the Property and all successors in title to construct on or use the Property in accordance with this Order and any amendment thereof by the Commission. The Applicant shall file a certified copy of the covenant with the records of the Office of Zoning.
2. The application approved by this Commission shall be valid for a period of two years from the effective date of this Order. Within such time, an application must be filed for the building permit as specified in 11 DCMR § 2409.1. Construction shall begin within three years of the effective date of this Order.
3. The Applicant is required to comply fully with the provisions of the Human Rights Act of 1977, as amended, D.C. Official Code § 2-1401.01, et seq. ("Act") and this Order is conditioned upon full compliance with those provisions. In accordance with the Act, the District of Columbia does not discriminate on the basis of actual or perceived: race, color, religion, national origin, sex, age, marital status, sexual orientation, gender identity or expression, familial status, family responsibilities, matriculation, political affiliation, genetic information, disability, source of income, or place of residence or business. Sexual harassment is a form of sex discrimination, which is also prohibited by the Act. In addition, harassment based on any of the above protected categories is also prohibited by the Act. Discrimination in violation of the Act will not be tolerated. Violators will be subject to disciplinary action.

On September 29, 2014, on a motion made by Commissioner May, as seconded by Commissioner Miller, the Zoning Commission **APPROVED** the Application at its public meeting by a vote of **5-0-0** (Anthony J. Hood, Marcie I. Cohen, Robert E. Miller, Peter G. May, and Michael G. Turnbull to approve).

On November 10, 2014, on a motion made by Commissioner Miller, as seconded by Vice Chairman Cohen, the Zoning Commission **ADOPTED** this Order at its public meeting by a vote of **5-0-0** (Anthony J. Hood, Marcie I. Cohen, Robert E. Miller, Peter G. May, and Michael G. Turnbull to adopt).

In accordance with the provisions of 11 DCMR § 3028, this Order shall become final and effective upon publication in the *D.C. Register*; that is on December 5, 2014.



ANTHONY J. HOOD
CHAIRMAN
ZONING COMMISSION



SARA A. BARDIN
DIRECTOR
OFFICE OF ZONING