01-13A

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September 30, 2004

**VIA HAND DELIVERY**

Zoning Commission for the
District of Columbia
441 4th Street, N.W., Suite 210S
Washington, D.C. 20001

Re: Zoning Commission Case No. 01-13C – Order No. 960 (Revised)
Request for Consent Calendar Modification to the Planned Unit Development for International Monetary Fund HQ2

Dear Members of the Commission:

The International Monetary Fund ("IMF"), the applicant in the above-referenced case, hereby requests that the Zoning Commission modify two conditions of the approval of the planned unit development for the IMF's second headquarters building, as approved in Order No. 960 (Revised) ("Order"). A copy of the Order is attached as Exhibit A.

***Replacement of Park Benches***

First, the IMF requests that the Commission modify Condition No. 8(a), which states as follows:

> Condition No. 8(a): IMF shall replace forty-eight (48) benches in the parks in the vicinity of the Site with new, segmented benches as recently approved by the National Park Service for Washington Circle. IMF shall install these benches prior to the issuance of certificate of occupancy for HQ2.

The IMF has been and is still fully prepared to perform this amenity in accordance with the Order. The IMF made arrangements to purchase the forty-eight benches with an estimated cost of $250,000, as compared to the $132,000 estimated cost identified in Finding No. 44(d)(1). However, when the IMF approached the National Park Service ("NPS") regarding replacement of the benches, the IMF was informed that the segmented benches installed in Washington Circle are no longer the NPS approved bench. According to the NPS, a task force comprised of representatives of the NPS, the Commission of Fine Arts, the

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National Capital Planning Commission, and the Office of Planning had reviewed the standard NPS bench since the approval of the PUD and determined that a new bench needed to be designed. Furthermore, in discussions with the IMF, the NPS indicated that it no longer wants to replace the benches, some of which are relatively new, in the Federal Reservations adjacent to the PUD Site. Accordingly, this amenity is no longer acceptable to the NPS, and the NPS will not allow the IMF to replace the benches.

The IMF has met several times with the NPS in an effort to identify a comparable substitute amenity. As a result of these discussions, the IMF proposes the following replacement for Condition No. 8(a):

> Revised Condition No. 8(a): IMF shall expend the total sum of $250,000 for (a) the design of a new, segmented park bench prototype; and (b) the ongoing enhanced maintenance and repair of the three (3) triangular parks immediately to the west and northeast of the Site along Pennsylvania Avenue, NW. IMF shall enter into an agreement with the National Park Service regarding the use of these funds prior to the issuance of a certificate of occupancy for HQ2.

The NPS supports this proposed replacement amenity, as is indicated in the NPS letter of support to be filed with the Zoning Commission.

The proposed replacement amenity serves the same purposes as the previous amenity. First, the funds used for the design of the prototype bench will allow for benches to be installed throughout the immediate area to deter "long-term occupancy." Second, the maintenance agreement for the parks enhances the environs immediately surrounding the PUD Site. The enhanced maintenance program will include the following: sod replacement and erosion control; use of environmentally sensitive pest management; more frequent grass mowing, weeding and edging of grass along pavement edges; more frequent trash removal; painting and cleaning of benches, light poles and trash receptacles; cleaning of walkways; and more frequent light bulb replacement. The maintenance program does not include the fourth triangular park immediately adjacent to the World Bank, as the World Bank currently maintains that property. Third, an increased amount is used for this amenity due to the increased cost of the benches, as identified above.

***Timing for Completion of Special Projects***

Second, the IMF requests that the Commission modify Condition No. 8(e), which states as follows:

> Condition No. 8(e): The remaining portion of the $1,000,000 shall be earmarked for (i) replacement of diseased trees or installation of new trees in the geographic area bordered by E Street to the south, 22nd Street to the west, Pennsylvania Avenue to the north, and 18th Street to the east; and (ii) other

> neighborhood beautification projects that are within one-quarter mile of the Site or the boundaries of ANC 2A and endorsed by the Department of Transportation, Public Space Management Administration or the Department of Public Works, as appropriate to their respective area of authority, with the advice of ANC 2A and WECA. . . . Any special projects endorsed by the Department of Transportation or Department of Public Works shall be completed prior to issuance of a certificate of occupancy for HQ2.

As a result of the uncertainty with respect to the replacement of the benches, the IMF will be unable to comply with the timing set forth in Condition No. 8(e). Specifically, the IMF has worked with the D.C. Department of Parks and Recreation and the District Department of Transportation ("DDOT") to identify other neighborhood beautification projects in accordance with the Order. Through these meetings, the IMF has identified seven different special neighborhood projects, as set forth in the Scope of Work attached hereto as Exhibit B. The projects include the following: improvements to the Francis Pool soccer and baseball fields, landscaping and site furniture in the park bordered by New Hampshire Avenue, 21st and M Streets, and landscaping at two other small triangular parks within ANC 2A.

As recommended by the D.C. Department of Parks and Recreation, the IMF will make the contribution for these improvements to Green Spaces for D.C. Green Spaces for D.C. is a non-profit entity that has been set up to accept private funds for the purpose of constructing improvements in D.C. public parks pursuant to a Memorandum of Understanding between it and the D.C. Department of Parks and Recreation dated August 1, 2003.

The contribution to be made to Green Spaces for D.C. will be based on the remaining funds after all other amenities set forth in Condition Nos. 8(a) through 8(e) are completed. However, due to the need to revise Condition No. 8(a) to specify an alternative amenity, the final amount of funds remaining has not yet been determined, and the contribution amount can not be finally determined until such time as this issue is resolved. As a result, Green Spaces for D.C. will not be able to complete the agreed upon improvements prior to such time as the IMF must obtain its certificate of occupancy. Accordingly, the IMF proposes the following replacement Condition No. 8(e):

> Replacement Condition No. 8(e): The remaining portion of the $1,000,000 shall be earmarked for (i) replacement of diseased trees or installation of new trees in the geographic area bordered by E Street to the south, 22nd Street to the west, Pennsylvania Avenue to the north, and 18th Street to the east; and (ii) other neighborhood beautification projects that are within one-quarter mile of the Site or the boundaries of ANC 2A and endorsed by the Department of Transportation, Public Space Management Administration or the Department of Public Works, as appropriate to their respective area of authority, with the advice of ANC 2A and WECA. . . . The IMF shall enter into a letter

agreement with Green Spaces for D.C. and deposit a check with Green Spaces for D.C. for the special neighborhood beautification projects endorsed by the Department of Transportation or Department of Public Works prior to issuance of a certificate of occupancy for HQ2.

The Applicant respectfully requests that these modifications be approved as a consent calendar item, under Sections 2409.9 and 3030 of the Zoning Regulations. This procedure is available "in the interest of efficiency, to make without public hearing, minor modifications . . . to previously approved final orders. . . ." 11 DCMR § 3030.1. As specified in Section 3030.2, minor modifications are to be modifications of little or no importance or consequence. The Director shall determined which matters shall be placed on the Consent Calendar for consideration by the Commission without a public hearing. 11 DCMR § 3030.11. The subject requests do not affect the essential elements of the approval given by the Zoning Commission for this project, such as use, height, gross floor area, lot occupancy, setbacks or number of parking spaces. Furthermore, the proposed substitute amenity for park benches is very similar to the approved amenity, which can no longer be performed. Similarly, the revised timing for the special neighborhood beautification projects will ensure that the IMF performs its required amenity prior to the issuance of the certificate of occupancy. Accordingly, the requests fall within the scope of this section.

On September 15, 2004, the IMF presented this minor modification relating to park benches to Advisory Neighborhood Commission 2A ("ANC 2A"). The ANC 2A voted not to support this proposed modification to the PUD. In its deliberations, the ANC stated that it did not originally support this amenity and would not support any replacement amenity that designated funds for the benefit of the NPS. Furthermore, the IMF presented the proposed neighborhood beautification projects at the ANC 2A's public meeting on July 21, 2004. ANC 2A was generally supportive of the projects. However, the proposed modification to the timing for completion of these projects was not presented to or addressed by the ANC.

As required by Section 3030.6 of the Zoning Regulations, the IMF has served this request on the parties to the case, including the ANC 2A and the West End Citizens Association.

The IMF respectfully requests that the Zoning Commission adopt the proposed replacement Condition No. 8(a) and Condition No. 8(e) as set forth above. We are prepared to answer any questions the Commission may have or to provide any additional necessary information.

Very truly yours,

Whayne S. Quin

Christine Moseley Shiker

Attachments

cc: Parties to Zoning Commission Case (See Proof of Service)
Ellen McCarthy, Office of Planning (Via Hand Delivery; w/atts)
David McGettigan, Office of Planning (Via Hand Delivery; w/atts)
Sally Blumenthal, National Park Service (Via Hand Delivery; w/atts)

**PROOF OF SERVICE**

I hereby certify that on September 30th, 2004, a copy of the foregoing Request for Consent Calendar Modification to the Planned Unit Development for International Monetary Fund HQ2 was served on the following persons or organizations as stated below:

Advisory Neighborhood Commission 2A (Via Hand Delivery)
St. Mary's Court
Washington, DC 20037

With seven copies to

Dorothy Miller, Chairman for ANC 2A (Via Hand Delivery)
2440 Virginia Avenue, NW
Apartment D206
Washington, DC 20037

West End Citizens Association (Via US Mail)
PO Box 58098
Washington, D.C. 20037-8098

With a copy to

West End Citizens Association (Via Hand Delivery)
c/o Barbara Kahlow
2555 Pennsylvania Avenue, N.W. #404
Washington, DC 20037

Christine Moseley Shiker
Holland & Knight

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Government of the District of Columbia
ZONING COMMISSION

**ZONING COMMISSION ORDER NO. 960 (REVISED)**
**Z.C. Case No. 01-13C**
**(Consolidated Planned Unit Development and**
**Zoning Map Amendment for**
**International Monetary Fund HQ2)**
**April 25, 2002**

Pursuant to notice, the Zoning Commission for the District of Columbia held public hearings on January 7, 2002, and January 24, 2002, to consider applications from the International Monetary Fund for consolidated review and one-step approval of a Planned Unit Development and a Zoning Map Amendment (collectively, the "Applications"). The Zoning Commission considered the Applications pursuant to Chapters 24 and 30 of the District of Columbia Zoning Regulations, Title 11 of the District of Columbia Municipal Regulations ("DCMR"). The public hearings were conducted in accordance with the provisions of 11 DCMR § 3022. For the reasons stated below, the Zoning Commission hereby approves the Applications.

## FINDINGS OF FACT

### The Applications, Parties, and Hearing

1. On May 15, 2001, the International Monetary Fund ("IMF") filed Applications for the consolidated review and approval of a Planned Unit Development ("PUD") and related Zoning Map amendment for property located at 1900 Pennsylvania Avenue, N.W. (the "Site"). The Site consists of lot 26 in Square 119 and is currently zoned C-3-C. The IMF requested PUD-related rezoning to the C-4 District. At its September 17, 2001, meeting, the Zoning Commission set this case for hearing.

2. After proper notice, the Zoning Commission held public hearings on January 7, 2002, and January 24, 2002.

3. The parties to the case were IMF; Advisory Neighborhood Commission ("ANC") 2A, the ANC within which the Site is located; and the West End Citizens Association ("WECA"). The Zoning Commission determined the parties to the case at the January 7, 2002, public hearing.

4. WECA requested a postponement of the public hearing scheduled for January 7, 2002, by letter dated January 3, 2002, based on the late filing of reports from the Office of Planning ("OP") and District Division of Transportation ("DDOT"). IMF filed an objection to the request for postponement by letter dated January 4, 2002, asserting that

WECA had not been prejudiced by the late-filed reports and that the Zoning Commission could find other ways to ensure that no prejudice would result. The Zoning Commission split the hearing into two parts to give WECA sufficient time to prepare its cross examination of OP and DDOT reports and to prepare its direct presentation.

5. At the conclusion of the January 24, 2002, public hearing, the Zoning Commission set forth time frames for the filing of post-hearing submissions, responses to post-hearing submissions, and proposed findings of fact and conclusions of law. On February 21, 2002, WECA filed a request for additional time for its response to the post-hearing submissions. On that same date, ANC 2A filed a request for waiver and extension of the deadline to respond to post-hearing submissions. On February 22, 2002, IMF filed an objection to these requests.

6. At its March 11, 2002, public meeting, the Zoning Commission took proposed action by a vote of 4-1-0 to approve with conditions the Applications and plans presented at the public hearings.

7. The proposed action of the Zoning Commission was referred to the National Capital Planning Commission ("NCPC") under the terms of the District of Columbia Self-Government and Governmental Reorganization Act. NCPC, by action dated February 8, 2002, approved the Applications for a consolidated PUD and amendment to the Zoning Map to rezone the property from C-M-3 to C-3.

8. The Zoning Commission took final action to approve the Applications with conditions at a special public meeting on April 25, 2002.

**The Site and the Area**

9. The Site is situated in Ward 2 at 1900 Pennsylvania Avenue, N.W., and consists of Lot 26 in Square 119, which comprises the entire square bounded by 19th Street, 20th Street, Pennsylvania Avenue, and H Street. The Site contains approximately 64,935 square feet of land area. The Site has approximately 341 feet of frontage along Pennsylvania Avenue, N.W.; 138 feet of frontage on 19th Street, N.W.; 313 feet of frontage on H Street, N.W.; and 277 feet of frontage on 20th Street, N.W.

10. The Site is located in the Central Employment Area. The Generalized Land Use Map of the Comprehensive Plan designates the Site in the high-density commercial land use category.

11. The area surrounding the Site is characterized by office and institutional uses with a pattern of height and density consistent with the proposed project. The surrounding areas to the north, east, and south are located within the Central Employment Area. The predominant type of structure in that area is dense commercial office space with heights

in excess of 110 feet. To the southwest and west, the George Washington University (the "University") and its related institutional facilities dominate the area.

12. The Site is presently improved with the thirty-year old, eight-story office building, formerly used as the headquarters for PEPCO (the "PEPCO Building"). The PEPCO Building is ninety feet (90) in height, with eight (8) stories, and has a developed density of 6.5 floor area ratio ("FAR").

13. The existing IMF headquarters ("HQ1") is located at 700 19th Street, N.W. and comprises the entirety of Square 120. Square 120 is immediately south of the Site across H Street. HQ1 was developed as a PUD under the C-3-C District, and the building is 130 feet in height with an overall FAR of 9.07. Construction of HQ1 occurred in three (3) phases, with the first phase consisting of a 130-foot structure with 609,593 square feet of gross floor area in the early 1970s. Phase II was approved in the early 1980s and included the construction of an additional 144,972 square feet of gross floor area. The height of the building remained 130 feet but the total FAR increased to 7.68. HQ1 was completed in the 1990s when IMF added approximately 280,319 square feet of gross floor area. The height of the addition was 130 feet and the FAR for Phase III was 10.11, which increased the overall FAR to 9.07.

14. The World Bank's headquarters building is southeast of the Site and comprises the entirety of Square 141. That square is zoned C-4, and the World Bank structure is 130 feet in height with an FAR of 10.0.

15. Square 105 is northeast of the Site and is also zoned C-4. The office building located at 1899 Pennsylvania Avenue, N.W. is approximately 120 feet high with eleven (11) stories. This site is currently under redevelopment as a matter-of-right to take advantage of the density permitted under the C-4 District.

16. Square 118 is located across Pennsylvania Avenue directly to the north of the PUD Site and is zoned C-3-C. The office building located at 1901 Pennsylvania Avenue in the southeast corner of that square is eleven (11) stories high. Adjacent to that office building is the Mexican Embassy, which is ninety (90) feet high. An office building at the southwest corner of Square 118 is approximately ninety (90) feet in height and has an FAR of 6.5.

17. Additional office buildings further to the northwest of the Site are consistent with this pattern of height and density. The recently constructed office building at 2099 Pennsylvania Avenue, N.W. in Square 78 has a height of 130 feet with an FAR of 10.0 and was built as a matter-of-right through the purchase of Transferable Development Rights. The James Monroe Building in the southeast corner of that square, approved as a PUD, is approximately 124 feet high with an FAR of 10.48. Similarly, the headquarters building for the International Finance Corporation (a member of the World Bank Group)

at 2121 Pennsylvania Avenue, N.W., located in Square 74, has a height of 130 feet with an FAR of 10.0 and was built as a matter-of-right through the purchase of Transferable Development Rights.

18. The areas to the west and southwest of the Site are predominantly institutional. Square 101, due west of the Site, which is part of the University campus and is split-zoned C-3-C and R-5-D. In the northern portion of this square is Red Lion Row, a PUD in the C-3-C District. At its highest point, the structure is 112.5 feet in height, and the FAR is approximately 7.0. The University and its law school are located southwest of the Site, and the entirety of Square 102 is occupied by University facilities.

19. No residential uses are directly adjacent or close to the Site. With the exception of one single-family house surrounded by University property on H Street in Square 101, the closest residential uses are located at least one and one-half (1.5) blocks away in Squares 75 and 77.

20. The Site is neither a designated historic landmark nor is it within a historic district.

**Zoning and Zoning History**

21. At the time of the comprehensive rezoning of the District of Columbia (the "District") in 1958, the Site was zoned C-3-B. Construction of the existing PEPCO Building occurred in the early 1970s to the height and density then allowed. In 1980, the Zoning Commission created the new C-3-C District and, at that time, the Site was designated in the C-3-C District.

22. The Site is currently zoned C-3-C. The C-3 District is designed to accommodate important sub-centers supplementary to the Central Business District. More specifically, the C-3-C District permits high-density development, including office, retail, housing, and mixed-use density development, which is compact in area. The C-3-C District permits a maximum height of ninety (90) feet, with no limit on the number of stories, and a maximum FAR of 6.5. Under the PUD guidelines for the C-3-C District, the maximum height of the project may be 130 feet with a maximum FAR of 8.0. Parking for office use is required at the rate of one space for each additional 1,800 square feet of gross floor area in excess of 2,000 square feet.

23. The requested zoning for the Site is C-4. The C-4 District permits a maximum height of 130 feet for a building facing a street that is not less than 110 feet wide, with no limit on the number of stories, and a maximum FAR of 10.0. The PUD guidelines for the C-4 District also allow a maximum height of 130 feet, and the guidelines permit a maximum FAR of 11.0 for a building facing a street that is at least 110 feet wide. Despite the additional FAR that is permitted for a PUD under the C-4 District, IMF only requests an FAR of 10.0 as permitted under the C-4 District as a matter-of-right. Parking for office

use in the C-4 District is required at a rate of one space for each additional 1,800 square feet of gross floor area in excess of 2,000 square feet for a building on a lot having an area of more than 10,000 square feet.

24. The surrounding area to the north and northwest of the Site was also zoned C-3-B in 1958 and similarly was designated as the C-3-C District in 1980. Since that time, this area has remained part of the C-3-C District; however, the maximum permitted levels of height and density for the area have increased. In 1991, the Zoning Commission created the Downtown Development District and designated the "New Downtown" as a receiving zone for transferable development rights. The boundaries of the New Downtown Receiving Zone are 19th Street to the east, Pennsylvania Avenue to the south, a jagged line roughly following New Hampshire Avenue to the west, and a line south of N Street to the north. The New Downtown Receiving Zone includes, among other properties, Squares 74, 78, and 118, located directly to the north and northwest of the Site, and Squares 86, 85, and 76, located within several blocks of the Site. According to the Downtown Development District regulations, sites within these squares that front on streets that are at least 110 feet wide (in this area, Pennsylvania Avenue, 19th Street, and K Street) have the potential to be developed as a matter-of-right to a maximum height of 130 feet with an FAR of 10.0.

25. The areas to the west and southwest of the Site were zoned R-5-C at the time of the comprehensive rezoning in 1958, with the exception of the northern portion of Square 101 which was zoned C-3-B. In 1981, the Zoning Commission approved a PUD for the northern portion of Square 101 and rezoned that site to C-3-C. In late 1992, the Zoning Commission created a new R-5-C District, which caused the existing R-5-C District to be re-designated as the R-5-D District. Presently, the remaining portion of Square 101 and the other areas west and southwest of the Site are zoned R-5-D. These areas are also part of the University's campus.

26. Directly south of the Site is HQ1. At the time of the comprehensive rezoning in 1958, that site was zoned R-5-C. The IMF sought to rezone a portion of the property in the late 1960s. During the first phase of rezoning, the Zoning Commission created a PUD and approved a Zoning Map amendment for the southern portion of the square. That property was rezoned C-3-B, and the Zoning Commission granted conceptual approval of the headquarters for the entire square. Subsequently, the Zoning Commission rezoned the northwest portion of the square (formerly lot 824) in 1980 from R-5-C to C-3-B and modified the PUD. During that same year, the Zoning Commission created the new C-3-BC District. As a result, the portion of Square 120 zoned C-3-B was re-designated C-3-C. Finally, in the early 1990s, IMF sought to complete the development after the acquisition of the remaining property in Square 120 (lot 826 and a closed public alley), and the Zoning Commission rezoned it to C-3-C in 1992. Since that time, the entirety of Square 120 has been a PUD under the C-3-C District.

27. Square 141 to the southeast of the Site was split-zoned C-4, C-3-B, and R-5-C at the time of the comprehensive rezoning in 1958. Portions of the square (lots 827 and 824) were rezoned to C-4 in 1960. Three years later, the remainder of the square was rezoned to C-4, and the entire square has remained in the C-4 District since that time.

28. The area to the northeast and east of the Site was zoned C-4 during the comprehensive rezoning in 1958 and has remained C-4 since that time.

**The IMF**

29. IMF is an international organization established by international treaty in 1946, the purpose of which is to promote international monetary cooperation, exchange stability, and orderly exchange arrangements; to foster economic growth and high levels of employment; and to provide temporary financial assistance to countries to help ease balance of payments adjustment. IMF also helps its member countries by providing educational programs, providing technical assistance to member governments, issuing a wide variety of publications, and conducting IMF Institute training programs for officials of member countries. The training programs provided through IMF Institute have expanded and intensified considerably over the years as the requirements of its member countries have increased. Furthermore, IMF works closely with the World Bank, and the two jointly maintain certain facilities that are essential to their operations, such as an extensive library and a health services department.

30. IMF's Articles of Agreement stipulate that its headquarters are to be located on the territory of its largest member in economic terms, which is the United States. As a result, the headquarters of IMF has been located in the District since its establishment in 1946. Since 1973, IMF's headquarters have been located at HQ1.

**The PUD Project**

31. IMF proposes the construction of a new office building to serve as the second headquarters building for IMF ("HQ2"). HQ2 will have a maximum height of 130 feet and a gross floor area of approximately 649,350 square feet, not to exceed 10.0 FAR. HQ2 will include public retail uses at the corner of Pennsylvania Avenue and 19th Street as well as the corner of Pennsylvania Avenue and 20th Street. HQ2 is estimated to accommodate approximately 1,400 workstations.

32. HQ2 encompasses the entirety of Square 119 and fronts on four streets. The highest point of the roof is 130 feet above the curb opposite the middle of the front of the building on Pennsylvania Avenue.

33. HQ2 will include a three-level, below-grade parking garage containing a minimum of 400 parking spaces on a self-park basis. With stacked parking, the parking garage can

accommodate approximately 100 additional spaces, for a total of approximately 500 spaces. Access to the parking garage will be from 20th Street.

34. HQ2 will include three loading berths, which will be accessed from 20th Street.

35. The design of HQ2 was significantly modified through the PUD process, as a result of discussions with the Office of Planning in an effort to achieve a design that is appropriate for its location on Pennsylvania Avenue while fitting within the IMF's parameters. The final design reflects the superior architecture encouraged by the PUD regulations. The design takes full advantage of its location on Pennsylvania Avenue as a Special Street and reflects the geometry of the intersection of Pennsylvania Avenue with the orthogonal grid of L'Enfant's plan for Washington. The design relates well to the context of the area and complements the surrounding structures.

36. The Pennsylvania Avenue frontage incorporates retail spaces at each end of the building. At the corner of Pennsylvania Avenue and 20th Street, HQ2 includes a two-story restaurant/market space, which has direct access from the street and will be open to the public. The design of the restaurant/market incorporates windows to highlight the two-story space and will likely include seasonal outdoor seating. At the corner of Pennsylvania Avenue and 19th Street, the street frontage will be anchored by a community-oriented retail, exhibit, or cultural space, which will be directly accessible from both the street and the HQ2 lobby. The façade of this space is expressed as a two-story glass façade.

37. Of significant importance is the treatment of the meeting room façade along Pennsylvania Avenue, which will incorporate a wall of water on a serrated granite wall as well as a water sculpture. The water sculpture consists of a series of liminar streams, which are arched cylinders of water that resemble tubes of glass, and will be located at the primary and ceremonial entrance to HQ2 on Pennsylvania Avenue.

38. HQ2 is designed to present an open and inviting face of IMF to the public. The exterior palette of HQ2 consists of architectural precast concrete in a color and finish resembling the limestone of HQ1, embellished with flush metal panels and aluminum-framed windows and aluminum curtain wall elements, which serve as the primary cladding materials, in addition to natural stone on the lower floors. These materials are composed to create different wall systems on different sides of HQ2 that enhance the spatial organization of the building and vary the expression of the façades according to their context and orientation.

39. The streetscape on all sides of HQ2 has been designed to reflect openness and accessibility and to create a sense of connection with the surrounding neighborhood. IMF, however, must also provide a standoff distance for HQ2 from vehicles that could carry a potential explosive threat. In accordance with design recommendations currently

being developed by the National Capital Planning Commission for perimeter protection, HQ2 incorporates security in a manner that is as invisible and unobtrusive as possible, employing a variety of streetscape elements that enrich the streetscape as well as serve as pedestrian amenities.

40. The landscaping plan, combined with traditional security measures, constitutes the perimeter security measures. Along Pennsylvania Avenue and 19th Street, where the sidewalk areas are broad, the street tree zone begins at the curb line, extending for eight feet, and raised planters and seating elements are placed adjacent to street trees. The planter/seating features are articulated in two different natural stone finishes, and are structurally reinforced for security purposes, supplemented when necessary by stainless steel bollards. The planter/seating features are designed to allow for different combinations of high and low planting elements and benches.

41. Along H and 20th Streets, a perimeter tree zone starts at the curb line, with an adjacent sidewalk area and raised planter zone immediately adjacent to the building. The dimensions of the street tree zone and sidewalk are four (4) feet and ten (10) feet wide, respectively, on H Street and seven and one-half (7.5) feet and ten (10) feet, respectively, on 20th Street. The remainder of the streetscape area on these streets is devoted to ten- and twelve-foot wide raised planter areas. IMF's need for perimeter security will be provided by structurally reinforcing the raised planters and supplemented by stainless steel bollards. At the loading and parking access ramps, "pop-up" bollards are proposed. Under normal conditions, these bollards will be recessed and not exposed to view, but will be hydraulically raised when necessary to respond to a perceived threat.

42. Under the C-4 District, 360 parking spaces are required. IMF will provide a minimum of 400 parking spaces on a self-park basis and 500 parking spaces on a stacked basis.

43. HQ2 will have no unacceptable adverse impact on the surrounding area. The use will continue to be an office space, as has been the use for the past thirty (30) years. The planned HQ2 employee population is estimated to be approximately 1,400, which is less than the 1,600 to 1,900 employees previously housed at the PEPCO Building. Additionally, the increased size of the structure will have no unacceptable impact on traffic, as evidenced by the testimony of IMF's traffic engineer, O.R. George & Associates. HQ2 will favorably impact the surrounding area with its high-quality and contextually responsive architectural design that replaces the uninspired design of the PEPCO Building and the unadorned streetscape.

44. The following superior benefits and amenities (collectively, the "Community Amenity Package") will be created as a result of the PUD project:

a. **Urban Design, Architecture, and Landscaping.** IMF has commissioned a high-quality architectural design for HQ2 that enhances the streetscape, the

surrounding neighborhood, and HQ1. The design is superior in its façade, fenestration, and landscaping when compared to other current downtown Washington Class A office buildings. The design also incorporates a water wall along Pennsylvania Avenue and a water sculpture at the ceremonial and primary entrance of HQ2 on Pennsylvania Avenue. Excluding all costs for security features, the premium for these design features is approximately $1,205,886.

Furthermore, the proposed landscaping is a significant amenity to the community and includes upgraded sidewalk pavers, benches, and planters. Excluding all costs for security features, the premium for the superior landscaping and streetscape is approximately $613,052.

b. **Two-level Restaurant/Market Retail Space.** The design of HQ2 includes a two-level retail space at the corner of Pennsylvania Avenue and 20th Street to be used for a restaurant or market. The space will be accessible to the public from the street and will include a minimum of 6,750 square feet. For security purposes, any space open to the public must be structurally hardened for blast protection. The estimated cost to structurally harden this retail space is $272,725.

c. **Community-Oriented Retail, Exhibit, or Cultural Space.** The design of HQ2 also includes a retail space at the corner of Pennsylvania Avenue and 19th Street that will be used for a community-oriented retail, exhibit, or cultural space. The space will be accessible to the public from the street as well as the HQ2 lobby and will include a minimum of 2,675 square feet. The estimated cost to harden the space and complete build-out of the retail space is $340,898.

d. **Contribution to Support Local Community Benefits.** IMF is committed to spend a total sum of $1,000,000 for off-site community amenities requested by representatives of both ANC 2A and WECA. The IMF will spend the money in five (5) specific areas that will benefit the residential community as follows:

(1) Replacement of Park Benches. IMF will replace forty-eight (48) benches in the parks in the vicinity of the Site. In response to community concerns, IMF will replace these benches with new, segmented benches as recently approved by the National Park Service for Washington Circle. These benches are designed to deter long-term occupancy, which is a concern of many members of the nearby residential community. These benches will cost approximately $2,750 each, including installation. Accordingly, IMF will spend approximately $132,000 on this amenity and will install the benches prior to the occupancy of HQ2.

(2) Contribution to St. Mary's Court for Prescription Drugs and Related Health Care Needs. St. Mary's Court, located in Foggy Bottom at 725 24th Street,

N.W., is a subsidized housing project for the elderly. IMF will contribute $100,000 to St. Mary's Court in furtherance of St. Mary's Court's significant need for assistance with its prescription drug program, home care aid services, and health care areas not covered by Medicare or Medicaid, including dental, eye and hearing care. St. Mary's Court estimates that the contribution will satisfy these needs for a period of five (5) years.

(3) Contribution to St. Mary's Court for Transportation Needs. IMF will contribute $50,000 to St. Mary's Court to support its transportation needs, including maintenance, insurance, and fuel for its new van. St. Mary's Court estimates that the contribution will satisfy this need for a period of ten (10) years.

(4) Contribution to D.C. Central Kitchen. IMF will contribute $100,000 to the D.C. Central Kitchen within ninety (90) days after the issuance of the building permit for HQ2.

(5) Neighborhood Beautification/Trees. The remaining portion of the $1,000,000 (which is estimated to be $618,000) will be earmarked for (i) replacement of diseased trees or installation of new trees in the geographic area bordered by E Street to the south, 22nd Street to the west, Pennsylvania Avenue to the north, and 18th Street to the east; and (ii) other neighborhood beautification projects endorsed by the Department of Public Works, with the advice of ANC 2A and WECA. Representatives of IMF will first work with the Department of Public Works to identify the tree needs of this geographic area and determine the appropriate level of funding for trees based on these needs. If funds remain from the original $1,000,000, special beautification projects will then be identified. IMF will provide the Department of Public Works and the ANC 2A all appropriate paperwork to justify these expenditures. All trees will be installed, and any special projects endorsed by the Department of Public Works completed, prior to issuance of a certificate of occupancy for HQ2.

e. **Contribution to Housing Production Trust Fund.** IMF will contribute a total amount of $1,000,000 to the Housing Production Trust Fund to improve the general welfare of the District. This contribution will be made in one payment prior to the issuance of a certificate of occupancy for HQ2.

f. **Public Use of the Meeting Facility.** IMF will allow HQ2's large meeting facility (the "Meeting Facility") and central atrium to be used by the community on a scheduled basis. The Meeting Facility is the focal point of the Pennsylvania Avenue frontage and is a central feature of HQ2. It will be a large, high-ceilinged meeting hall with advanced technological capabilities and a capacity of 450 persons, which can be divided into two smaller meeting spaces. The Meeting

Facility will be made available for community events, in a manner consistent with the necessary operational and security requirements of IMF.

IMF has provided space to the community free of charge in the past through meetings and events held at HQ1. These events have ranged from business meetings and retreats to black tie evening events and ANC meetings. HQ1's facilities have generally been used by social service groups, art groups, local government groups, and civic groups. The cost of providing the Meeting Facility to the public is approximately $240,000 annually.

g. **Transportation Features.** HQ2 and the location of the Site offer several transportation management measures that will ensure that there are no unacceptable adverse impacts on traffic. The Site is located near the Foggy Bottom, Farragut West, and Farragut North Metrorail stations. The Site is also served by ten (10) Metrobus routes along Pennsylvania Avenue and 19th and 20th Streets. IMF will provide a three-level parking garage that will include a minimum of 400 parking spaces on a self-park basis, with additional parking available on a stacked basis. IMF also proposes a transportation management program that includes the following: provision of Metro and ridesharing information to new employees; provision of a "clearing house" bulletin board and/or website which displays updated information on ridesharing opportunities as well as Metrobus and rail transit services; exchanging ridesharing information with the World Bank; and variable work hour options, including condensed work schedules and work-at-home programs. With the consolidation of IMF's headquarters staff on the adjacent square, the effectiveness of these programs in reducing vehicular demand will be further enhanced.

h. **Local Business Opportunities.** IMF has executed a Memorandum of Understanding with the D.C. Local Business Opportunity Commission in order to achieve the goal of thirty-five percent (35%) participation by small, local, and disadvantaged businesses in the contracted development costs in connection with the construction of the project. This memorandum contributes significantly to the District's goal of ensuring adequate opportunities for small and local businesses to participate in development projects throughout the District.

i. **First Source Employment Opportunities.** IMF has also executed a First Source Employment Agreement with the Department of Employment Services ("DOES") in order to comply with the goals of the First Source Employment Program. As part of the record, IMF submitted a chart identifying the expected person-days by skill set, to give the community advanced notice of what kinds of jobs would be necessary for construction of the project.

**Consistency with the Federal Elements of the Comprehensive Plan**

45. It is a goal of the Federal Government to plan locations that satisfy the operational requirements of international organizations and to retain existing locations and designate new locations for international organizations in areas of compatible land uses while also meeting security requirements. Specifically, the Federal Government encourages planning locations that satisfy the operational requirements of international organizations so as to further the efficient conduct of relations between the United States and other nations, as well as to retain existing locations and designate new locations for international organizations in areas of compatible land uses, while also meeting security requirements.

46. Allowing IMF to develop the Site adjacent to HQ1 and in close proximity to Federal agencies and other international organizations, such as the World Bank, the International Finance Corporation (a member of the World Bank Group), the State Department, and the U.S. Treasury, is consistent with the goals and guidelines of the Foreign Missions and International Organizations Element.

47. HQ2 is also consistent with the Foreign Missions and International Organizations Element because the element permits international organizations to locate only in areas meeting the following requirements: (1) in the Central Employment Area, except areas under the jurisdiction of the Architect of the Capitol, and in other medium/high-density mixed-use areas and limited office and apartment areas; (2) in areas served by public transportation to reduce parking requirements; and (3) where adequate parking, public facilities, utilities, and services, including street lighting, water, sewer, electricity, telephone, and refuse collection, are available or can be provided. The Site meets each of these requirements: the Site is located within the Central Employment Area and is designated as a high-density commercial site on the Generalized Land Use Map; the Site is served by public transportation, including three Metrorail stations as well as numerous Metrobus routes; and the Site is served with adequate public facilities, utilities and services, and will provide sufficient on-site parking.

48. The Foreign Missions and International Organizations Element further indicates that preference should be given to certain types of locations, including those locations in proximity to U.S. or other international organizations with which such organizations regularly conduct business and those locations on Special Streets. The Site is located adjacent to HQ1 as well as its sister organization, the World Bank. The adjacency of HQ2 to HQ1 and the World Bank, with which IMF works closely, will enhance the efficiency of these organizations. Other related governmental organizations are also located in the area, including the International Finance Corporation, the Department of State, and the Mexican Embassy. Furthermore, Pennsylvania Avenue is designated as a Special Street in the Preservation and Historic Features Element of the Comprehensive

Plan for the National Capital. The Site's location near numerous international organizations and on a Special Street renders the Site a preferred location.

49. The Foreign Missions and International Organizations Element also encourages international organizations to permit the buildings within which they are housed available for occasional cultural, educational, and/or recreational activities. This portion of the element is furthered by IMF's public amenity related to use of the Meeting Facility for public groups' use for occasional cultural, civic, and/or educational programs, as discussed in Finding 44(f).

50. The Policies Section of this element describes the Federal Government's desire to retain the principal offices of all International Organizations within the District, and the location of the Site furthers that policy.

51. The Foreign Missions and International Organizations Element designates the Site as a permitted site for international organizations. Therefore, the Site is a permitted and preferred location for an international organization under this element.

52. HQ2 is not inconsistent with the Foreign Missions and International Organizations element of the Comprehensive Plan for the National Capital, which was prepared by the National Capital Planning Commission. IMF is an International Organization within the meaning of the element and as defined in § 199 of the Zoning Regulations.

53. The Zoning Commission previously recognized the appropriateness of this area for international organizations in its approval of the three (3) phases for the development of HQ1 in Square 120. The location of the Site is especially suitable due to its proximity to the World Bank, the Organization of American States, the Inter-American Development Bank, the State Department, the Executive Office, and other related agencies and organizations.

**Consistency with the District Elements of the Comprehensive Plan**

54. The proposed rezoning is consistent with the Generalized Land Use Map of the Comprehensive Plan, which depicts the Site as well as the surrounding area to the north, south, and east in the high-density commercial land use category. The high-density commercial designation is the highest commercial designation under the Comprehensive Plan. To the west of the Site, the land use map is designated institutional for the campus of the University.

55. According to the Economic Development Element of the Comprehensive Plan, it is a goal to promote the District as the national center for international business and financial activity, building on the presence of the World Bank, the International Monetary Fund, the Inter-American Development Bank, other related organizations, and the capacity of

the private banking community to support international trade and business. IMF's new facility continues the focus of the District as the international center and provides a stronger base for this and other international financial organizations.

56. The Economic Development Element also sets a goal to encourage development, economic diversification, and job generation in portions of the Central Employment Area that are outside of the Downtown area. The Site is located within the Central Employment Area outside of the Downtown area, and HQ2 will encourage and stimulate economic activity in this targeted zone as well as provide job generation. Dr. Stephen Fuller, IMF's expert in urban and regional economics testified regarding details of this economic generation, as discussed in Findings 125 through 127.

57. The landscaping components of HQ2 will provide the opportunity for trees and other plantings to enliven the space and provide positive environmental effects, which furthers the goals and polices of the Environmental Element. Similarly, the street trees and plantings incorporated into the streetscape design will soften the hardscape and provide shade, pollution absorption, oxygen, and decreased stormwater runoff.

58. The Transportation Element of the Comprehensive Plan identifies the need for the efficient movement of people and goods within the District. HQ2 will tie into the existing transportation network and provide transportation measures to minimize and mitigate the impacts of the development. Furthermore, HQ2 will incorporate a minimum of 400 parking spaces on a self-park basis to accommodate the parking demand for HQ2.

59. The Urban Design Element of the Comprehensive Plan seeks compatibility of the development with its environs. Important factors include architectural compatibility, materials, scale, massing, and streetscape. The height and massing of the building further the goal of designing buildings using an appropriate arrangement of building materials, height, scale, and massing to complement the immediate region. The architectural aspects of HQ2 will integrate well within the commercial and institutional context of the area and complement surrounding structures. There are no residential uses adjacent to the Site.

60. According to the Land Use Element, the objective for commercial land use is to promote the vitality of the District's commercial areas and to provide for continued growth and vitality of the District's economy and its employment base. HQ2 will provide the continued growth and vitality that the District seeks as well as increasing the employment base for District residents. HQ2 will also promote appropriate commercial development to serve the needs of the economy of the District and to expand employment opportunities for District residents.

61. HQ2 will fulfill and further the specific objectives for Ward 2, as set forth in the Ward 2 Element of the Comprehensive Plan. Specifically, the Economic Development

Objectives in the Ward 2 Element encourage office employment growth outside residential use areas in other areas of the Central Employment Area, and the construction of HQ2 will further that objective. The Transportation objectives of the Ward 2 Element support land use policies that encourage better use of services through the entire city, such as concentrating employment in the Central Employment Area. The Urban Design Element of the Ward 2 element promotes an environment that provides visual orientation and enhances the District's aesthetic qualities. HQ2 will further each of these objectives.

62. The location of the Site is appropriate under the Land Use Element for Ward 2, which encourages development of office buildings in appropriate locations in Ward 2, especially in the Central Employment Area. The Ward 2 Element also indicates that future changes should include replacement of older buildings with newer buildings as well as additional office space, increased retail spaces, and streetscape improvements. Furthermore, this element dictates that a substantial part of the amenities provided in proposed PUDs must accrue to the community in which the PUD will have an impact. The proposed Community Amenity Package will achieve that goal.

63. HQ2 is consistent with many of the Comprehensive Plan's major themes, and the development is not inconsistent with the Comprehensive Plan. The PUD process ensures the development of a superior design that respects and improves the physical character of the District, which is a major theme of the Comprehensive Plan. In addition, the Comprehensive Plan encourages making maximum use of the District's location at the center of the region's Metrorail and commuter rail systems. HQ2 will take advantage of this asset by its proximity to three (3) Metrorail Stations and ten (10) Metrobus routes. Furthermore, the promotion of economic growth is a central theme of the Comprehensive Plan.

64. Under Section 112.1(c), the Land Use Element is to be given greater weight than all other elements, including the Ward 2 Element.

65. The development of HQ2 will not be inconsistent with the District elements of the Comprehensive Plan.

**Office of Planning Report**

66. By report dated December 26, 2001, and supplemental report filed January 14, 2002, the Office of Planning ("OP") recommended approval of the Applications with specified conditions highlighting important features of the design, amenities, and public benefits package. OP found that the proposed development was within the limits of the matter-of-right requirements under the proposed zone. OP further found that HQ2 is not inconsistent with the Comprehensive Plan and found that the proposed design and the superior Community Amenity Package support the goals of the Comprehensive Plan.

67. OP noted that its primary objective regarding the design of HQ2 was to ensure that the Pennsylvania Avenue façade sufficiently animated the urban scene in light of its prominent location. OP concluded that the modifications to the design provided the pedestrian experience desired for Pennsylvania Avenue as "America's Main Street" and that OP was satisfied with the façade presentation along Pennsylvania Avenue. OP testified that IMF had met on numerous occasions with the OP to modify the design in accordance with OP's recommendations. The OP report found that the further articulation of the mass along Pennsylvania Avenue, changes in the material at the corners, and introduction of the sloped, recessed metal panels provide an appropriate presentation for the prominent location of HQ2 along this ceremonial avenue. OP further found that the curved wall element along Pennsylvania Avenue, which incorporates a waterfall and pool, mitigates the impact of the long expanse of blank wall imposed by the Meeting Facility. OP also found that the security elements have been redesigned to provide a greater variety and that the retail uses located at each end, wrap around to 19th and 20th Streets, and help to enliven those streets, as well.

68. OP found that the HQ2 is not inconsistent with the Comprehensive Plan and that the Generalized Land Use Map designation for the Site is in the high-density commercial land use category.

69. OP also noted that the housing linkage contributions mandated in § 2404.1 of the Zoning Regulations do not apply to IMF's Applications, because HQ2 does not include an increase in gross floor area devoted to office space over and above the amount of office space permitted as a matter-of-right under the zoning included as part of the PUD. OP, however, expressed its concern regarding the impact of a proposed change in zoning that increased the density without requiring the contribution to affordable housing and noted that it was especially concerned about it at a time when the District is in need of and is actively promoting the construction of affordable housing. OP recommended a contribution of $1,000,000 to the Housing Production Trust Fund to improve the general welfare of the City.

70. In its initial report, OP stated that IMF had agreed to this payment as part of the amenities package. IMF testified at the January 7, 2002, public hearing that IMF had not agreed as of that date to the requested additional amenity. IMF, however, filed a letter with the Zoning Commission dated January 24, 2002, indicating that it had agreed to increase the amenities package by $1,000,000 as recommended by OP. To address this issue, OP filed a supplemental report on January 14, 2002, indicating that IMF had agreed to the contribution and that OP, therefore, stood by its recommendation in the original report. OP specifically noted that § 2403.9 of the Zoning Regulations includes "Housing and Affordable Housing" as acceptable public benefits and amenities. OP concluded that with the inclusion of the contribution, the amenities package was sufficient for the Applications.

71. OP testified that IMF and OP had worked together diligently through a long process to arrive at the proposed design and Community Amenity Package. OP concluded that the process had been constructive and, as a result, OP supported HQ2 as a superior project that as a PUD, not only meets the test set forth in the Zoning Regulations, but also provides an important opportunity for redevelopment of the Site along Pennsylvania Avenue.

**District Division of Transportation Report**

72. In its report dated January 4, 2002, and through testimony at the January 24, 2002, public hearing, the District Division of Transportation, now the District Department of Transportation ("DDOT") supported the Applications. The DDOT concluded that the consolidation of IMF employees into two adjacent buildings should reduce the number of vehicle trips. In consideration of the accessibility of the Site provided by the road network, pedestrian access, the proximity to mass transit and availability of on-site parking, DDOT supported the proposal with the following improvements: obtain final approval from the Public Space Committee for the streetscape plan and encourage IMF to implement a Metrocheck Farecard subsidy program to further encourage transit usage by IMF employees.

73. DDOT agreed with IMF's capacity analysis and level of service calculations at the critical intersections in the vicinity of the Site. The results of the analysis indicated that the study area intersections will experience minimal change due to this proposal and will improve the level of service of the 19th and H Streets intersection by removing the existing parking entrance on H Street.

74. DDOT noted that pedestrian access to HQ2 will be provided from Pennsylvania Avenue, H Street, and 19th Street, and vehicular access will be provided from 20th Street only. DDOT concluded that it had no objection to the access points and noted that the 20th Street parking garage entrance is preferred over other locations as it provides direct access to the Site without impeding traffic flow.

75. DDOT noted that HQ2 will provide three (3) loading berths on 20th Street. DDOT concluded that 20th Street is the preferred location for the loading dock, because it is wide enough to provide for truck traffic while offering fewer conflicts as a result of the one-way northbound traffic pattern. DDOT stated that ample space is provided for both single-unit and tractor-trailer trucks to maneuver in and out of the loading area. Further, DDOT noted that HQ1 will continue to receive the majority of deliveries for the buildings. DDOT found that this location is clearly the best choice for the loading berths, because it causes the least amount of impediments to the flow of traffic. To further ease traffic congestion in the area of the Site, DDOT recommended that deliveries to HQ2 be restricted during the morning peak period of 7:00 to 9:30 A.M. when 20th Street experiences the highest levels of traffic.

76. In response to the Zoning Commission's request for post-hearing submission, DDOT submitted an additional memorandum dated February 13, 2002, addressing its independent analysis of transportation issues for HQ2 and its analysis regarding the location of the loading dock. The memorandum states that DDOT's analysis indicated that the levels of service at 20th Street and H Street and at 20th Street and Pennsylvania Avenue were equivalent or better than routine downtown traffic volumes (level of service D or better). DDOT also stated that it had considered the University and American Red Cross developments as part of its analysis and found that these developments will have little or negligible impact on these intersections.

77. As part of this memorandum, DDOT also presented in more detail its analysis regarding the location of the loading dock on 20th Street versus H Street. DDOT first noted that 20th Street is one-way northbound, approximately thirty (30) feet wide, and has parking restrictions during the peak periods whereas H Street is two-way and has metered parking on both sides. H Street also connects the residential community to the University to the west. DDOT noted that minimizing curb cuts and providing streetscape along H Street will enhance the pedestrian movement. DDOT also stated that roadways, such as 18th Street, which is similar in geometry and traffic flow, have a number of even larger commercial garages. For all of these reasons, and taking into account the hourly traffic generation, the DDOT concluded that 20th Street is the optimum location for the loading dock entrance. DDOT reaffirmed its recommended that loading be restricted during the morning peak period. DDOT did not recommend a restriction on loading during the afternoon peak period.

78. DDOT memorandum also set forth the DDOT's policy regarding analysis of projects with respect to transportation analysis.

**Metropolitan Police Report**

79. In a memorandum dated December 21, 2001, and filed with the Zoning Commission on January 20, 2002, the Metropolitan Police Department, Second Police District (the "Police Department") concluded that after a review of HQ2's effect on public safety, it appeared that public safety and parking would not be severely impacted by the proposal.

80. Lieutenant Mark Carter testified at the January 24, 2002, public hearing on behalf of the Police Department. At that hearing, the Zoning Commission requested that the Police Department submit a supplemental memorandum to address two issues: (i) analysis or information as to what the Police Department considered and who it consulted in preparing its report; and (ii) what statement, if any, was made by Commander Peter Newsham to the ANC 2A regarding IMF's annual meeting scheduled for September, 2001, and, if a statement was made, the basis and rationale for such statement.

81. In its February 11, 2002, supplemental memorandum, Commander Newsham stated that past experience with similar projects was used to determine the impact of HQ2 on the area. Commander Newsham further stated that if the contractor provides the appropriate level of traffic control personnel, such as a flagmen or off-duty police officer, the impact on traffic and parking can be minimized.

82. The supplemental memorandum also contained extraneous comments that have been disregarded by the Commission.

ANC 2A Report

83. By resolution dated December 17, 2001, Advisory Neighborhood Commission ("ANC") 2A voted to oppose the proposed PUD. The ANC 2A opposed HQ2 based on the following reasons:

a. Security issues related to IMF and the World Bank being the target of demonstrators at the IMF's annual meetings;

b. National security;

c. Costs to the District due to foregone property taxes, security costs, and diminished revenues for businesses;

d. Opportunity cost for the Site, which could be developed by another taxable business or the University; and

e. Insufficient amenities package.

84. Along with its resolution, ANC 2A submitted a report and presented the findings of the report in its testimony to the Zoning Commission. ANC 2A raised the following issues and concerns with respect to HQ2:

a. Safety and Security Concerns. Because IMF's annual meetings have been the target of demonstrators in recent years and in light of the events of September 11, 2001, IMF poses a threat to the neighborhood and should not be permitted to construct any building, regardless of size, until the Office of Homeland Security evaluates the project and determines its safety;

b. Zoning Change. The zoning change would breach a buffer zone between residential and commercial areas as well establish an inappropriate a precedent for areas west of the Site;

c. Costs of the project to the District;

d. Opportunity costs to the District and the Foggy Bottom/West End neighborhood;

e. Inadequacy of the Amenities Package; and

f. Other concerns including building height, the design, and creation of a pedestrian-hostile commuter corridor.

85. In satisfaction of the statutory requirement that the Commission give great weight to the issues and concerns raised in the above recommendation (D.C. Official Code § 1-309(d) (2001)), this order will address each of these issues through the forthcoming discussion of the contested issues presented and in the portion of this order titled "Response to Issues and Concerns of ANC 2A."

**Letters in Support**

86. The Washington Real Estate Investment Trust, the owner of property located at 1901 Pennsylvania Avenue, N.W., submitted a letter in support of the Applicants dated December 26, 2001.

87. The International Finance Corporation, the owner of property located at 2121 Pennsylvania Avenue, N.W., submitted a letter in support of the Applications dated January 4, 2002.

88. The Kaempfer Company, the owner of property located at 2099 Pennsylvania Avenue, N.W., submitted a letter in support of the Applications dated January 2, 2002.

**Letters and Testimony in Opposition**

89. WECA was admitted as a party in opposition to these proceedings. Barbara Kahlow and Sarah Maddux testified on behalf of WECA. Ms. Kahlow's testimony addressed the following five areas: premature set-down; historical perspective of HQ1; statutory requirements for the provision of amenities; safety; and location of loading dock and streetscape design.

90. Ms. Maddux testified as to WECA's concerns with the streetscape design and security risks of the presence of IMF in the West End community.

91. WECA's objection to the Applications based on the case being set for hearing is moot. The case was set for hearing at the September 17, 2001, meeting of the Zoning Commission. WECA's issues were before the Zoning Commission at that time; however, the Zoning Commission voted to set the case for hearing.

92. WECA also objected to the Applications based on the historical perspective of the Zoning Commission cases regarding Square 120 for the development of HQ1. IMF's

history of acquisition and approvals of Square 120 is set forth in Findings 13 and 26. There is no evidence in the record questioning the validity or appropriateness of granting those approvals and the development that followed. Furthermore, the Zoning Commission finds that the history of the development of the adjacent square is not relevant to these proceedings. All other issues raised by WECA are addressed in the contested issues section of this order.

93. Other persons submitted letters to the record in opposition to the project, primarily based on security and design issues.

## CONTESTED ISSUES

### Security

94. Both ANC 2A and WECA testified that the Applications should not be approved based on the security risks that HQ2 imposes on the surrounding community. ANC 2A testified that HQ2 will give greater prominence to IMF and will invite potential violence and terrorist attacks that will jeopardize the welfare of the residents. ANC 2A further testified that since the events of September 11, 2001, demonstrations against IMF will have a very different character from previous demonstrations and can be expected to have more far-reaching and destructive behavior. ANC 2A requested that the Office of Homeland Security evaluate the project before it is approved.

95. In addition, WECA testified that the annual meetings cause security concerns for the residents of the surrounding neighborhoods and that the addition of HQ2 would create a target for terrorist attacks. WECA also requested that the Office of Homeland Security evaluate the project.

96. IMF testified that the addition of HQ2 to the area will not pose any additional security threats to the community according to the security analysis prepared for IMF. IMF also testified that the consolidation of IMF's facilities in a single location will enable IMF to achieve higher levels of security. Furthermore, IMF's security consultant, Henry Garcia, testified that the presence of HQ2 requires no additional security analysis for the annual meetings, because HQ2 creates no additional impact on security for these meetings. Finally, IMF argued the issue of the location of and impacts from the annual meetings are not properly before the Zoning Commission because those issues are present whether or not the Site is developed as a PUD or as a matter-of-right.

97. At its January 24, 2002, public hearing, the Commission ordered the record to be left open for a period of three (3) weeks to provide WECA an opportunity to file any document obtained from the Office of Homeland Security or other Federal agency regarding the security issue. No such document was filed as part of the record.

98. The Zoning Commission finds that the location of HQ2 along Pennsylvania Avenue, near HQ1, the World Bank, the International Finance Corporation, and many other Federal and international agencies, will not pose any additional security threats to the community or to national security. The Zoning Commission also finds that HQ1 is the primary headquarters facility and, therefore, is the generator of the activities of which ANC 2A and WECA complain. The Zoning Commission further finds that HQ1 will remain the primary headquarters for IMF whether or not HQ2 is developed. The Zoning Commission finds that HQ2 is further away from any residential property than HQ1 or the World Bank. Furthermore, the Zoning Commission finds that neither ANC 2A nor WECA have established that HQ2 exacerbates or worsens the existing situation in any way. The Zoning Commission finds that the adjacency of the headquarters building as well as the proximity of other Federal and international agencies allows security to be consolidated in one location, consistent with the designation of this area as an appropriate location for international organizations in the Comprehensive Plan.

99. WECA testified that the Applications should not be approved because it believes the proposed streetscape substantially encroaches into the public sidewalk space and blocks the pedestrian walkway on Pennsylvania Avenue.

100. Henry Cobb, the principal architect from Pei Cobb Freed & Partners, testified that the width of the sidewalk from the building to the curb is twenty-five (25) feet, ten (10) inches. The tree zone and planter bed combined occupy eight (8) feet, two (2) inches. Therefore, seventeen (17) feet, six (6) inches of open, unobstructed pedestrian walkway remains on Pennsylvania Avenue. According to Mr. Cobb, that is an exceptionally wide footpath and Mr. Cobb testified that there are not many sidewalks in the District with a footpath that wide.

101. OP testified that it supported the streetscape plan and that the streetscape plan achieved IMF's security goals without sacrificing street vitality and attractiveness. OP also testified that it did not find the size of the planters to be an objectionable encroachment.

102. The Zoning Commission finds that the streetscape plan does not encroach into public space in an objectionable manner. The Commission finds that beautification improvements of the streetscape within public space are typical for new development. Furthermore, the Zoning Commission finds that the photographs in the record clearly demonstrate that the existing streetscape condition is barren and unlively and finds that the proposed streetscape improvements significantly upgrade the streetscape along Pennsylvania Avenue and the other three (3) street frontages.

**Compliance with PUD Standards**

103. Finding 44 sets forth the public benefits and project amenities of the proposed PUD.

104. ANC 2A took the position that these benefits and amenities are insufficient in comparison with the value of the requested rezoning. ANC 2A requested that IMF fund a neighborhood corporation in the amount of $14,000,000. The neighborhood corporation would be charged with neighborhood improvements that are essential to the livability of the Foggy Bottom/West End, such as providing an additional librarian at the West End Public Library; providing a feeding program for homeless persons living in the vicinity of HQ2; provide for the transportation needs of St. Mary's Court; fund traffic studies to identify solutions to neighborhood traffic problems; and fund zoning, planning, traffic, and environmental experts to assist the community in evaluation of future projects.

105. The Commission's evaluation of the amenities and public benefits of this proposed PUD is limited to those described in the Applications. If these are insufficient, the Applications must be denied. It is not the role of the Commission to remedy an inadequate showing by ordering the provision of additional benefits and amenities. And it certainly is beyond the Commission's powers to require more amenities if those described in the Applications are adequate when balanced against the zoning relief requested. The Commission's task is limited to judging, balancing, and reconciling "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 circumstance of the case*". 11 DCMR § 2403.8 (emphasis added).[1]

106. The Commission agrees with the ANC that, in the circumstances presented here, the "degree of development incentives requested" includes the rezoning to C-4.

107. The Applicant's position to the contrary ignores the zoning context in which the subject property exists (i.e., the mechanisms by which the height and density of surrounding properties were achieved). Although the height and density of the surrounding properties are consistent with C-4 zoning, only the properties to the east achieved this result through a regular map amendment proceeding. The properties to the north achieved equivalent height and density through the receipt of transferable development rights, while the property to the south obtained C-4 density through a PUD that offered amenities equivalent to the development incentive received. Reasonable application of the Commission authority to zone properties requires that the Applicant be held to the same standard as nearby and adjacent property owners.

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[1] Since the Commission will not look beyond the scope of the public benefits and project amenities described by the Applicant, there is no reason to reach the constitutional issues raised in legal memoranda submitted by the Applicant and the ANC. Both memoranda presumed that the Commission can impose additional public benefits and project amenities beyond those offered by the Applicant. Because the Commission does not believe it can or should modify an application in this way, the constitutional limitations on such a process are irrelevant.

108. Placing the current Applications in context with the zoning procedures through which the surrounding properties acquired their greater heights and densities, the Commission finds that amenities have been an integral part of the projects at several of the surrounding properties. This project will achieve similar scale through rezoning. Therefore, it is not correct to say that the Applicant derives no benefit from the grant of these Applications. In accordance with the Zoning Regulations, the public benefits and amenities of this project must be judged against this benefit. Having balanced the development incentives requested against the public benefits and project amenities as described in Finding 44, the Commission concludes that the Applicant has met its burden on this issue.

109. WECA further argued that the proposed off-site amenities are insufficient in light of the Ward 2 Element of the Comprehensive Plan, which suggests that the amenities for PUDs in Ward 2 must benefit the immediately affected community. Furthermore, WECA opposed the use of the retail space at 19th Street and Pennsylvania Avenue for any other use other than "true community-oriented retail."

110. The PUD regulations distinguish between public benefits and amenities. An amenity is narrow both as to its location and scope. It is 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.*" 24 DCMR § 2403.7 (emphasis added). In contrast, a public benefit, other than an amenity, may "benefit the surrounding neighborhood or the public in general." 24 DCMR § 2403.6.

111. Public benefits may be located off-site "so long as there is a clear public policy relationship between the PUD proposal and the off-site benefit and the off-site benefit shall be located within one-quarter mile of the PUD site or within the boundaries of the Advisory Neighborhood Commission for the area that includes the PUD site". 24 DCMR § 2403.13.

112. The scope of the public benefits and amenities offered by the proposed PUD, whether located on or off the Site, inure to the community specifically, satisfy each applicable criteria of the PUD regulations stated above, and are consistent with the policy guidance offered in the Ward 2 Element of the Comprehensive Plan.

**Location of Loading Dock**

113. WECA also opposed HQ2 based on the location of the loading dock on 20th Street. WECA testified that 20th Street is a major commuter artery for those commuters coming from Maryland and Virginia and is already projected to serve increased traffic due to other buildings currently under construction in the immediate neighborhood and along the K Street business corridor.

114. In its report, DDOT concluded that 20th Street is the preferred location for the loading dock, because it is wide enough to provide for truck traffic and will result in fewer conflicts because of the one-way northbound traffic pattern. DDOT noted that ample space is provided for both single-unit and tractor-trailer trucks to maneuver in and out of the loading area. Further, DDOT stated that HQ1 will continue to receive the majority of deliveries for the buildings. DDOT found that 20th Street is clearly the best choice for the loading berths at HQ2, as it will cause the fewest impediments to the flow of traffic. To further ease traffic congestion in the area of the Site, DDOT recommended that deliveries to HQ2 be restricted during the morning peak period of 7:00 to 9:30 A.M., when 20th Street experiences the highest levels of traffic. The DDOT did not recommend any restrictions on loading during the afternoon peak period.

115. In its supplemental report dated February 13, 2002, DDOT presented in more detail its analysis regarding the location of the loading dock on 20th Street versus H Street. DDOT first noted that 20th Street is one-way northbound, approximately thirty feet wide, and has parking restrictions during the peak periods. On the other hand, H Street is two-way and has metered parking on both sides. H Street also connects the residential community to the University to the west. DDOT noted that minimizing curb cuts and providing streetscape along H Street will enhance pedestrian movement. DDOT also noted that roadways such as 18th Street, which is similar in geometry and traffic flow, has a number of even larger commercial garages. For all of these reasons, and taking into account the hourly traffic generation, DDOT concluded that 20th Street is the optimum location for the loading dock entrance. DDOT reaffirmed its recommendation that loading be restricted during the morning peak period.

116. IMF's expert in traffic engineering, Osborne George, O.R. George & Associates, testified that the proposed access of the loading docks from 20th Street is the favorable location, because it is a one-way northbound road. Mr. George concluded that the loading docks would not result in significant interruptions of through-traffic and that it is not necessary to restrict the use of the loading dock at any time.

117. The Zoning Commission finds DDOT's analysis, as well as Mr. George's conclusions, persuasive and finds that 20th Street is the appropriate location for the loading berths. Furthermore, the Zoning Commission finds DDOT's recommendation for restrictions on loading during the morning peak period is appropriate.

118. The Zoning Commission notes that DDOT did not recommend any restrictions or prohibitions during the afternoon peak period. Although OP included a proposed condition in its report restricting loading during the afternoon peak period, Ellen McCarthy testified at the public hearing that OP agreed with DDOT that restrictions during certain times are more important than other times and that the restrictions on loading during the afternoon peak period were best left to DDOT. The Zoning

Commission therefore finds that no restriction or prohibition on loading is necessary during the afternoon peak period.

**Appropriate Location for C-4 Zoning and an International Organization**

119. In its Report, ANC 2A expressed concern regarding the rezoning of the property as a breach of the buffer zone between the residential and commercial areas and as an inappropriate precedent for properties to the west of the Site. ANC 2A also testified that the height and bulk permitted under the C-4 District would have a major negative impact on the desirability and livability of the community and that IMF should not be located in the District at all.

120. IMF's expert in urban planning, Steve Sher, testified that the Comprehensive Plan designates this area in the high-density commercial land use category. The high-density land use category serves as the business and retail heart of the District and the metropolitan area and, although it includes a mix of employment, retail, office, cultural, and entertainment centers, office use is the most prevalent commercial use in the Central Employment Area.

121. Mr. Sher testified that C-4 zoning is appropriate for the Site based on the existing height and density of the surrounding area and the permitted height and density through matter-of-right zoning, transferable development rights, and/or PUDs. East of 19th Street, both north and south of Pennsylvania Avenue, the zoning is C-4. The property directly to the south and the west are PUDs (HQ1 and Red Lion Row, respectively). To the north and northeast, the area is zoned C-3-C; however, the maximum permitted levels of height and density have been increased due to the area's designation as the New Downtown Receiving Zone. The area to the west and southwest of the Site is the University and is zoned R-5-D. No residential uses are directly adjacent or close to the Site. With the exception of one single-family house surrounded by University property on H Street, the closest residential uses are located at least one and one-half (1.5) blocks away.

122. Furthermore, Mr. Sher testified that the Site is characterized by office and institutional uses with a pattern of height and density consistent with HQ2. The Site and the surrounding area to the north, east, and south are located within the Central Employment Area. The type of structure that is seen most in this area is dense commercial office space with height of approximately 130 feet. To the southwest and west, the area is dominated by the University and its related institutional facilities.

123. Mr. Sher also established that the Foreign Missions and International Organizations Element of the Comprehensive Plan dictates that the Site is an appropriate location for HQ2, an international organization, as discussed in Findings 45 through 53.

124. The Zoning Commission finds that the Comprehensive Plan designates the Site in the high-density commercial land use category and as an appropriate location for international organizations.

125. The Zoning Commission finds that the Site is an appropriate location for C-4 zoning and for the development of HQ2 as a result of the public benefits and amenities described in this Order. The Zoning Commission finds that HQ2's proposed height and density is consistent with the existing and permitted height and density on almost all properties immediately surrounding the Site. The proposed height and density is no more than that permitted as a matter-of-right, through Transferable Development Rights, and/or by a PUD on most properties within the surrounding area. In its order authorizing the PUD development for Phase III of HQ1, the Zoning Commission found that the high-density commercial designation on the Generalized Land Use Map of the Comprehensive Plan justifies a C-4 zoning designation. The Zoning Commission again finds that the existing condition in the area and the Comprehensive Plan, including the high-density commercial designation, justify and support a C-4 zoning designation.

**Economic Impact**

126. ANC 2A opposed HQ2, in part, based on costs of the project to the District and to the Foggy Bottom/West End community. ANC 2A set forth several reasons for this argument, including the loss of property tax revenue from the Site, the cost to the District for security for the Site during the annual meetings, and the cost to nearby residents and business owners during IMF's annual meetings.

127. Although the proposed size of HQ2 could house a greater number of employees, the Applicant represented that they plan to utilize the premises for a maximum of 1,400 workstations and related employees. Their emphasis on the fact that the contemplated number of employees was a reduction from the number of employees housed on site when the existing matter-of-right building was occupied by PEPCO, led the Commission to consider whether a cap on the number of employees to be housed in HQ2 would be an appropriate condition of the PUD Order.

128. The Zoning Commission also finds that there is no evidence in the record that HQ2 will increase any costs to nearby residents and business owners as a result of security costs associated with HQ2. To the contrary, the Zoning Commission finds that the consolidation of the headquarters facility will allow IMF to achieve higher levels of security.

**Cap on Building Occupancy**

129. As indicated in Finding 43, HQ2 will not have an unacceptable adverse impact on the surrounding area.

130. Because the analysis presented to the Zoning Commission was based on the planned size of HQ2 to accommodate 1,400 workstations, the Commission considered whether a cap on the number of employees to be housed in HQ2 would be an appropriate condition for the PUD order.

131. IMF historically has housed fewer employees per square foot as compared to standard commercial office buildings and IMF has no plans to deviate from this pattern of usage. Currently, three (3) floors are devoted entirely to the IMF Institute, meeting facilities and other public space. Although IMF anticipates that it will not house more than 1,400 employees in HQ2, the usage of the building is subject to variables outside of the control of IMF and therefore, the needs of IMF may change over time. Finally, all impacts were analyzed based on the size of the building, not the proposed occupancy. Therefore, no unacceptable adverse impacts will occur in the event that the occupancy is increased, if ever.

132. Based on the evidence presented, the Zoning Commission finds that a cap on the number of employees to be housed in HQ2 is not necessary.

**Response to Issues and Concerns of ANC 2A**

133. In its report, ANC 2A opposed the Applications based on the issues and concerns set forth in Findings No. 83 and 84. The Commission addressed those issues and concerns, as follows:

a. Security issues related to IMF and the World Bank being the target of demonstrators at IMF's annual meetings and the issue of national security have been addressed in the Commission's discussion of the "Security" contested case issue.

b. The issue of costs to the District due to foregone property taxes and tax revenue and the issues of costs to the District for security and diminished revenues for businesses have been addressed in the Commission's discussion of the "Economic Impact" contested case issue and in the forthcoming conclusions of law.

c. The issue of the opportunity costs for the Site so that the Site could be developed by another taxable business or the University has been addressed in the Commission's discussion of the "Economic Impact" contested case issue.

d. The issue of the sufficiency of the amenities package has been addressed in the Commission's discussion of the "Compliance with PUD Standards" contested case issue.

e. The issue of appropriateness of the zoning change, including the building height, has been addressed in the Commission's discussion of the "Appropriate Location for C-4 Zoning" contested case issue.

f. ANC 2A also indicated that certain commissioners and residents expressed concerns that the block-long flat façade includes only cosmetic changes to relieve its monotony. Mr. Cobb, IMF's architect, testified regarding the special treatment of the lower register of HQ2 and of the meeting façade wall, including the water wall, the water sculpture located at the Pennsylvania Avenue entrance, the design of the retail spaces at each corner, and the streetscape improvements. Mr. Cobb also testified regarding the glass architectural projection on the upper levels of the Pennsylvania Avenue façade and how it relates to L'Enfant's plan for Washington, as well as provides interesting elements to animate the upper level design. The Zoning Commission finds that the Pennsylvania Avenue frontage design, both in the lower register and upper levels, is an important amenity, complements HQ2's location on Pennsylvania Avenue, and enlivens and improves the streetscape.

g. ANC 2A also indicated that certain commissioners and residents expressed concerns regarding the creation of a pedestrian-hostile commuter corridor for residents living in the area. DDOT and Mr. George, IMF's traffic engineer, both testified that there would be no unacceptable adverse impact on traffic as a result of HQ2. The Zoning Commission finds that the Applications will not create a pedestrian-hostile commuter corridor, because there will be no unacceptable adverse impacts on traffic. The Zoning Commission further finds that the streetscape improvements on the four sides of HQ2 and the retail spaces located at each end of the Pennsylvania Avenue frontage will both serve to improve pedestrians' and residents' experience at the Site.

## CONCLUSIONS OF LAW

1. Pursuant to the Zoning Regulations, the PUD process is designed to encourage high-quality development that provides public benefits. (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 of the Zoning Regulations, the Zoning Commission has the authority to consider this application as a consolidated PUD. The Commission may impose development conditions, guidelines, and standards which may exceed or be less than the matter-of-right standards identified for height, FAR, lot occupancy, parking and

loading, or for yards and courts. The Zoning Commission may also approve uses that are permitted as special exceptions and would otherwise require approval by the Board of Zoning Adjustment ("BZA").

3. The development of this PUD project carries out the purposes of Chapter 24 of the Zoning Regulations to encourage the development of well-planned developments which will offer a variety of building types with more attractive and efficient overall planning and design, not achievable under matter-of-right development.

4. The proposed PUD meets the minimum area requirements of § 2401.1 of the Zoning Regulations.

5. The PUD is within the applicable height and bulk standards of the Zoning Regulations and the height and density will not cause a significant adverse effect on any nearby properties. The office use for this project is appropriate on this Site, which is located in the Central Employment Area, within an area characterized by commercial and institutional uses and within proximity to mass transit. The impact of the project on the surrounding area is not unacceptable. Accordingly, the Applications should be approved.

6. The Applications can be approved with conditions to ensure that the potential adverse effects on the surrounding area from the development will be mitigated.

7. Because the C-4 rezoning will provide the Applicant with increased height and density in an area where equivalent height and density were achieved through the provision of public benefits and amenities, the Applicant must be seen as also receiving similar development incentives. The Community Amenity Package, particularly the quality of the design of the building and the provision of special benefit to the community and District as a whole, are a reasonable trade-off for these development incentives. The use, height, bulk, and design of the proposed development are appropriate for all sides and all contexts of the building.

8. Approval of the Applications is appropriate because the proposed development is consistent with the present character of the area.

9. Approval of this PUD and change of zoning is not inconsistent with the Comprehensive Plan, including the designation of the Site as part of the high-density commercial land use category on the Generalized Land Use Map of the Comprehensive Plan and as a permitted and preferred location for international organizations in the Foreign Missions and International Organizations Element of the Comprehensive Plan.

10. The Commission is required under D.C. Official Code § 1-309.10(d) (2001) to give great weight to issues and concerns raised in recommendations of the affected ANC. That

same provision indicates that "[g]reat weight requires acknowledgement of the Commission as the source of the recommendations and explicit reference to each of the Commission's issues and concerns." The Zoning Commission has articulated and addressed each of ANC's issues and concerns with respect to the Applications. The Commission has addressed these issues and concerns through its discussion of the contested case issues, its specific discussion of the ANC's issues and concerns, and in the conditions imposed in this order.

11. The Commission disagrees as a matter of law with ANC 2A's position that IMF, or any other tax-exempt PUD applicant, must offer additional public benefits and amenities to compensate for the loss of tax revenues that will result from the grant of the application. In essence, the ANC would have the Commission impose a payment in lieu of taxes upon every non-profit entity applying for a PUD. The Commission must, however, respect the legislative decision to exempt the IMF and similar entities from property taxation

See *Diocese of Rochester v. Planning Board of Town of Brighton, 1 N.Y.2d 508, 524 (N.Y. 1956). See, Pacer v. Planning Board, 635 N.Y.S.2d 704,705 (NY App. Div 1995).* ("We are of the view that a municipal planning board is without authority to deny a special use permit solely because of the tax exempt status of the property.")

12. The approval of the Applications will promote the orderly development of the Site in conformity with the entirety of the District of Columbia zone plan as embodied in the Zoning Regulations and Zoning Map of the District of Columbia.

13. The Applications are subject to compliance with D.C. Law 2-38, the Human Rights Act of 1977, as amended.

## DECISION

In consideration of the Findings of Fact and Conclusions of Law contained in this order, the Zoning Commission for the District of Columbia orders **APPROVAL** of the Applications for consolidated review of a Planned Unit Development and for a Zoning Map amendment from C-3-C to C-4 for property located at 1900 Pennsylvania Avenue, N.W., in Square 119, lot 26. This approval is subject to the following guidelines, conditions, and standards:

1. The PUD shall be developed substantially in accordance with the plans prepared by Pei Cobb Freed & Partners Architects LLP, dated January 7, 2002, marked as Exhibit 37 in the Zoning Commission's record, as modified by the guidelines, conditions, and standards herein.

2. The PUD shall be a commercial office development, with retail and service uses, consisting of approximately 649,350 square feet of gross floor area. The PUD project

shall not exceed a density of 10.0 FAR. The building shall not exceed a height of 130 feet, with roof structures not to exceed eighteen (18) feet, six (6) inches in height.

3. HQ2 may include projections depicted on the plans (Exhibit 37) and as approved by the Building and Land Regulation Administration, Department of Consumer and Regulatory Affairs.

4. Planters, benches, and bollards shall be placed along Pennsylvania Avenue, 19th Street, 20th Street, and H Street as set forth in the plans, subject to review and approval by the District Department of Transportation, Public Space Management Administration, and the Public Space Committee, as appropriate. If the streetscape plan is not approved substantially as proposed, IMF shall file with the Zoning Commission an application for modification to the approved PUD plans for the placement of planters, benches, and bollards. IMF shall have flexibility to refine or adjust the placement of planters, benches, and bollards.

5. HQ2 shall include a minimum of 400 parking spaces on a self-park basis and three (3) loading berths, as shown on the plans submitted to the record.

6. HQ2 shall include a two-level retail space at the corner of Pennsylvania Avenue and 20th Street to be used for a restaurant or market. The space shall be accessible to the general public from the street and shall include a minimum of 6,750 square feet. The space shall either be leased or occupied by a tenant or IMF shall begin retail operation of the space itself for the designated use within twenty-four (24) months from the issuance of the certificate of occupancy for the office space in the building.

7. The design of HQ2 shall also include a space at the corner of Pennsylvania Avenue and 19th Street devoted to community-oriented retail, exhibit, or cultural space. The space shall be accessible to the general public from the street and shall include a minimum of 2,675 square feet. The space shall either be leased or occupied by a tenant or IMF shall begin retail operation of the space itself for the designated use within twenty-four (24) months from the issuance of the certificate of occupancy for the office space in the building.

8. IMF shall contribute a total sum of $1,000,000 for off-site community amenities in accordance with the following:

   a. IMF shall replace forty-eight (48) benches in the parks in the vicinity of the Site with new, segmented benches as recently approved by the National Park Service for Washington Circle. IMF shall install these benches prior to the issuance of a certificate of occupancy for HQ2.

b. IMF shall contribute $100,000 to St. Mary's Court in furtherance of St. Mary's Court's significant need for assistance with its prescription drug program, home care aid services, and health care areas not covered by Medicare or Medicaid, including dental, eye, and hearing care. IMF shall make this contribution prior to the issuance of a certificate of occupancy for HQ2.

c. IMF shall contribute $50,000 to St. Mary's Court to support its transportation needs, including maintenance, insurance, and fuel for its new van.

d. IMF shall contribute $100,000 to the D.C. Central Kitchen within ninety (90) days from the issuance of the building permit for HQ2. IMF shall condition its contribution for use in programs that either serve the area within one-quarter mile of the Site or are within the boundaries of ANC 2A.

e. The remaining portion of the $1,000,000 shall be earmarked for (i) replacement of diseased trees or installation of new trees in the geographic area bordered by E Street to the south, 22nd Street to the west, Pennsylvania Avenue to the north, and 18th Street to the east; and (ii) other neighborhood beautification projects that are within one-quarter mile of the Site or the boundaries of ANC 2A and endorsed by the Department of Transportation, Public Space Management Administration, or the Department of Public Works, as appropriate to their respective areas of authority, with the advice of ANC 2A and WECA. Representatives of IMF shall first work with the Department of Transportation to identify the tree needs of this geographic area and shall determine the appropriate level of funding for trees based on these needs. If funds remain from the original $1,000,000, special beautification projects shall then be identified. IMF shall provide the Departments of Transportation or Public Works, as appropriate, and ANC 2A all appropriate paperwork to justify these expenditures. All trees shall be installed prior to issuance of a certificate of occupancy for HQ2. Any special projects endorsed by the Department of Transportation or the Department of Public Works shall be completed prior to issuance of a certificate of occupancy for HQ2.

9. IMF shall contribute a total amount of $1,000,000 to the Housing Production Trust Fund. Such contribution shall be made in one payment prior to the issuance of a certificate of occupancy for HQ2.

10. IMF shall allow HQ2's Meeting Facility to be made available to the public for scheduled community events, in a manner consistent with the operational and security requirements of IMF.

11. IMF shall institute and/or maintain a transportation management program which shall include the following: provision of Metro and ridesharing information to new employees; provision of a "clearing house" bulletin board and/or website which displays

updated information on ridesharing opportunities as well as Metrobus and rail transit services; exchanging ridesharing information with the World Bank; and variable work hour options, including condensed work schedules and work-at-home programs.

12. IMF shall abide by the terms of the executed Memorandum of Understanding with the D.C. Local Business Opportunity Commission in order to achieve, at a minimum, the goal of thirty-five (35%) percent participation by local, small, and disadvantaged businesses in the contracted development costs in connection with the construction for the project to be created as a result of the construction of HQ2. After the completion of construction of HQ2, IMF shall provide a written status report to the Zoning Commission and the D.C. Local Business Opportunity Commission regarding compliance with this agreement.

13. IMF shall abide by the terms of the executed First Source Employment Agreement with the Department of Employment Services (DOES) in order to achieve the goals of the First Source Employment Program. After the completion of construction of HQ2, the IMF shall provide a written status report to the Zoning Commission and the DOES regarding compliance with this agreement.

14. Loading for HQ2 shall be accessed from 20th Street. All loading shall be prohibited during the hours of 7:00 A.M. to 9:30 A.M., Monday through Friday, except Federal and District of Columbia public holidays.

15. 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, escalators, and toilet rooms, provided that the variations do not change the exterior configuration of the building;

    b. To vary the number and location of parking spaces, not to decrease below the minimum of 400 spaces on a self-park basis;

    c. 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; and

    d. To make minor refinements to exterior details and dimensions, including belt courses, sills, bases, cornices, railings, and trim, or any other changes to comply with the D.C. Building Code or that are otherwise necessary to obtain a final building permit.

16. No building permit shall be issued for this PUD until IMF has recorded a covenant in the land records of the District of Columbia, between IMF and the District of Columbia, that

is satisfactory to the Office of the Corporation Counsel and the Zoning Division of the Department of Consumer and Regulatory Affairs (DCRA). Such covenant shall bind IMF and all successors in title to construct on and use the Site in accordance with this order or amendment thereof by the Zoning Commission.

17. The Office of Zoning shall not release the record of this case to the Zoning Division of DCRA until IMF has filed a copy of the covenant with the records of the Zoning Commission.

18. The PUD approved by the Zoning Commission shall be valid for a period of two (2) years from the effective date of this order. Within such time, an application must be filed for a building permit as specified in 11 DCMR § 2409.1. Construction shall begin within three (3) years of the effective date of this order.

Vote of the Zoning Commission taken at is public meeting on March 11, 2002: 4-1-0 (John Parsons, Peter May, Carol Mitten, Anthony Hood, and James Hannaham).

The order was adopted by the Zoning Commission at its public meeting on April 25, 2002, by a vote of 5-0-0 (John Parsons, Carol Mitten, Anthony Hood, Peter May, and James Hannaham).

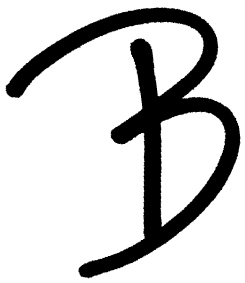
In accordance with the provisions of 11 DCMR § 3028, this order shall become final and effective upon publication in the *D.C. Register*; that is on JUL 12 2002.

Carol J. Mitten

**CAROL J. MITTEN**
**Chairman**
**Zoning Commission**

Jerrily R. Kress

**JERRILY R. KRESS, FAIA**
**Director**
**Office of Zoning**



# ANC 2A Parks/IMF Amenities

**THE SCOPE OF WORK FOR IMPROVING**

**TRIANGLE PARKS AND THE BALLFIELD AT FRANCIS RECREATION CENTER**

**21st, M Street & New Hampshire**

**Washington Circle**

**24th Street & I Street**

**Francis Pool, 2500 N Street**

The Department of Parks and Recreation is recommending that the following renovations and improvements be made at the subject sites. The scope of work shall include but not necessary limited to…

## General

- Provide design services required to develop the bidding documents for all the sites, including construction site supervision.

**Estimated Costs: $35,000**

## Francis Pool

### Soccer Field

- General grading and seeding of part of the existing field;
- Repair of existing soccer goals and installation of new netting;
- Removal of the field's chain link fabric and installation of new black vinyl coated chain link fabric on the fence that surrounds the field;
- Repair and painting of all the fence posts (in black), replacement of all railing by new black, galvanized railings.

**Estimated Costs: $85,000**

### Baseball Field

- Installation of a safety net at the top of the baseball field's chain link fence;
- Removal of the backstop's chain link fabric and installation of new black vinyl coated chain link fabric;
- Repair and painting of all the backstop posts (in black), replacement of all railing by new black, galvanized railings.
- Installation of dugouts at the baseball field (black vinyl coated);

- Improvement of the baseball field's diamond, including improvements to the dirt surface, grading and over-seeding of the grassy areas;
- Restoring all light standards on the ball field, sand-blasting and painting all the posts;
- Restoring and repairing all park benches and bleachers.

**Estimated Costs: $50,000**

**Landscaping**

- Construction and landscaping of two planting beds along N Street, along the sidewalk;
- Installation of a drinking fountain at the northeastern corner of the field;
- Installation of signage as per DPR standards.

**Estimated Costs: $25,000**

## 21st, M, & New Hampshire

**Landscaping and Site Furniture**

- Installation of a water feature in the existing central planting bed;
- Replacement of all park benches and trash receptacles in and around the triangle;
- Repair and cleaning of the pavers;
- Cleaning of existing planting beds, aeration and amendment of the existing soil;
- Removal of overgrown plant materials; installation of new plant materials;
- Pruning, raising the canopy, mulching, and fertilization of the existing trees;
- Installation of signage as per DPR standards.

**Estimated Costs: $145,000**

## 24th Street & I Street

### Landscaping

- Cleaning of existing planting beds, aeration and amendment of the existing soil;
- Removal of overgrown plant materials; installation of new plant materials;
- Pruning, raising the canopy, mulching, and fertilization of the existing trees.

**Estimated Costs: $10,000**

## Washington Circle

### Landscaping

- Cleaning of existing planting beds, aeration and amendment of the existing soil;
- Removal of overgrown plant materials; installation of new plant materials;
- Pruning, raising the canopy, mulching, and fertilization of the existing trees.

**Estimated Costs: $10,000**

**Sub-Total Estimated Costs: $360,000**
**Contingencies (10%): $ 36,000**

**Total Estimated Costs: $396,000**