

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF PLANNING



Office of the Director

MEMORANDUM

TO: D. C. Zoning Commission

FROM: *ELS fev*
Ellen McCarthy
Interim Director

DATE: April 29, 2005

SUBJECT: Preliminary Hearing Report on Zoning Commission Case Number 02-51A/01-04M/98-12M/88-32C, Modification of a Planned Unit Development located at 1616 Rhode Island Avenue (Square 182, Lot 82)

ZONING COMMISSION
REPORT OF DECISION
ORDER NO. 02-51A
EXHIBIT NO. 11

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APPLICATION

On April 21, 2005, the Office of Zoning received an application from the Rhode Island Associates Limited Partnership, the applicant, requesting Zoning Commission approval of a modification to Order No. 871-B, a previously approved Planned Unit Development (PUD) that encompasses the subject property.

Instead of developing lot 82 with an inn, as provided under the referenced order, the applicant would now like to construct a 10-story office building at least 106 feet in height, with approximately 131,000 square feet of floor area, and on-site parking for 120 vehicles in a below-grade garage.

RECOMMENDATION

The Office of Planning (OP) recommends that the Zoning Commission set down this application for a public hearing.

BACKGROUND

Lots 82 and 83 are the two parcels on Square 182 covered within the existing PUD. These properties were subdivided from a single 32,645 square-foot lot developed with the Gramercy Inn (now demolished). Both lots are in the Central Employment Area, south of Rhode Island Avenue, N.E., southwest of Scott Circle, in a Central Business District (C-4) zone district and a Dupont Circle (DC) overlay zone district (please refer to Exhibit 1). Subject Lot 82 is 15,394 square feet in size and temporarily occupied by a commercial parking operation. Lot 83 (1608 Rhode Island Avenue, N.W.) is 17,331 square feet in area, and improved with the 176,300 square-foot University of California ("UC") building that includes office and classroom space,

and 99,750 square feet of student apartments as per the approved order. Construction of the UC building was completed and the Certificate of Occupancy issued on August 22, 2001.

Surrounding development consists primarily of mid- and high-rise office and hotel uses. East of the PUD, across a ten-foot wide alley is The Courtyard by Marriott Hotel at the Rhode Island Avenue intersection with Sixteenth Street, N.W. To the west, across another alley, on property located at 1640 Rhode Island Avenue is a remodeled office building occupied by the Human Rights Campaign. Both properties are zoned Special Purpose SP-2 zone district and the Dupont Circle (DC) overlay zone district. Across Rhode Island Avenue, N.W. to the northwest are Scott Circle Park and the Beacon Hotel and Corporate Quarters (formerly the Governor's House Hotel), both zoned SP-1. To the south are The Summer School and Museum and Summer Square office development south along M Street, N.W. across from the National Geographic Headquarters. All these properties are in a DC/C-4 zone district.

The existing PUD has also been the subject of a number of Zoning Commission orders summarized in Exhibit 2.

ZONING REVIEW

Before approval of Final Order No. 638, the subject property was zoned SP-2. In 1989, this zoning district limited the maximum floor area ratio (FAR) to 6.0, the non-residential FAR to 3.5 and lot occupancy percentage of 80%. To allow a proposed mixed-use development that included more than 3.5 FAR of retail, office and commercial uses, the original PUD application requested the change to the current C-4 zone district.

C-4 is a high-density commercial and mixed-use zone district. The subject lot is over 32,700 square feet in area, more than the minimum 15,000 square feet required for a PUD in this zone district. Per Sections 770.4, 771.2, 771.5 and 772.1 of the Zoning Regulations, respectively, the maximum height allowed is 130 feet because Rhode Island Avenue is over 110 feet wide; the maximum allowable FAR is 8.5 or 10; and the maximum lot occupancy percentage is 100%.

No housing linkage is required because the gross floor area of office uses within the PUD would not exceed the maximum 10.0 FAR allowed as a matter of right under in the C-4 zone district previously implemented as part of the PUD.

The Dupont Circle Overlay District requires the minimum area for any proposed development is one-half acre in a C-4 zone district, and that all land within the PUD must be contiguous. This PUD would continue to be consistent with these requirements if the proposed modifications were approved. Thus, the proposal as presented would be allowable in the DC/C-4 zone district, and not require relief from the Zoning Regulations.

Regarding evaluation criteria under Section 2400 of the Zoning Regulations, the application lists the primary amenities of the proposal as urban design, (superior) architecture, and site planning of this mid-block location. As explained in this document dated April 12, 2005, "The modification will enhance the character of the area, ensure a vibrant active streetscape, provide environmental benefits and significant job opportunities." In an earlier letter to the Office of Planning dated March 11, 2005, "The Partnership propose(s)... to provide a benefits/amenities

package which would be similar to that (previously) approved as part of the University Modification (refer to Final Order 638-F in Exhibit 2)." In addition, the applicant proposes to contribute \$100,000 for affordable housing to the D.C. Housing Production Trust Fund or a non-profit housing organization of their choice.

The proposal also furthers several Comprehensive Plan themes:

- The Generalized Land Use Map designates the subject property as "High Density", characterized by it being "The business and retail heart of the District ..." that "includes a mix of employment, retail, office, cultural and entertainment centers."
- Section 101, Major Themes of the Comprehensive Plan, include:

"...

- (b) Increasing the quantity and quality of employment opportunities in the District;
- (c) Developing a living downtown;
- (d) Preserving and promoting cultural and natural amenities; ... "

As defined in Section 1107.6, "The Central Employment Area (where the subject properties are located) is the business and retail heart of the District and the metropolitan area." Of particular note is the following description of this area:

- "(a) The Central Employment Area is the employment, retail, office, cultural, entertainment center, the tourist center of the District and the metropolitan area, and the center of local government;
- (b) Office use, in terms of square footage, is the largest commercial use in the Central Employment Area; ...

In additional, Section 104.1, "Developing a Living Downtown", explains that "The Mayor's Downtown Committee worked for over a year to develop policies to strengthen (the District's) Downtown as the region's retail and cultural center, ... *to increase the number of jobs* for District residents, and to promote easy access to downtown from outlying parts of the region."

- The Declaration of Major Policies includes:
 - "200.9 Expansion of the District's preeminent role as the location for corporate and other headquarters, including the vast network of membership organizations representing business, labor, professional, social, and religious associations throughout the United States, is another priority."
- Section 1108.1, Policies in Support of the Commercial Areas Objectives, includes:
 - "(a) Promote appropriate commercial development, including centers for retail and office uses, to serve the needs of the economy of the District and its neighborhoods, to provide a focus for expansion of housing and employment that the District will

have to accommodate in the future because of its urban center role within the region, and to expand employment opportunities in the region for District residents:
...”
...

The proposed office building furthers these themes by providing a new center for office and possible ground floor retail uses, thus increasing the number of employment opportunities within the Central Employment Area of the District.

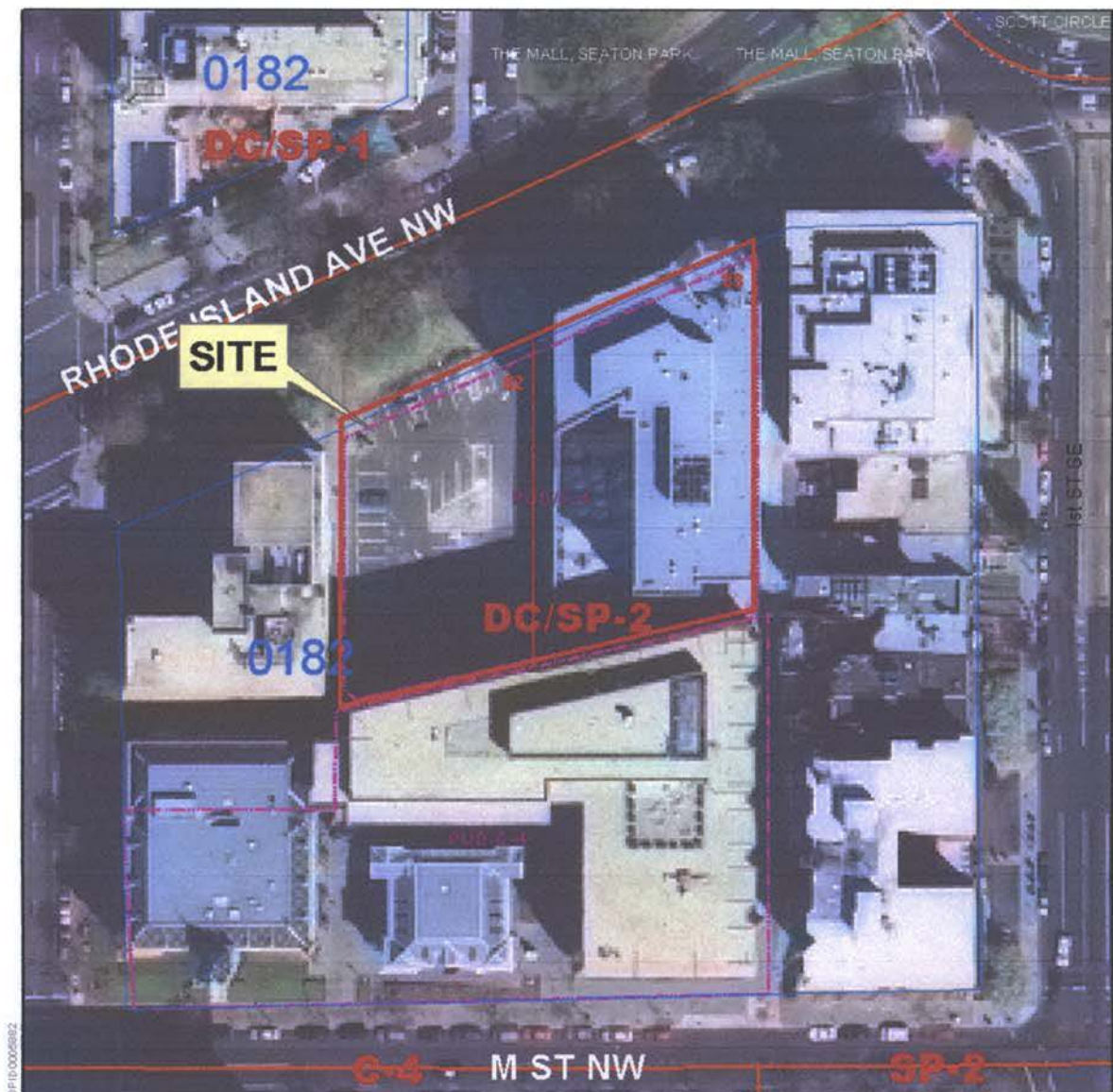
Based on this information, OP concludes this PUD proposal does not appear inconsistent with Comprehensive Plan, and supports specific economic development and employment goals identified in the Plan. Therefore, the Office of Planning recommends the project be scheduled for public hearing, noting that the following issues need to be addressed in greater detail:

- Zoning relief: Originally, the proposed building height was to be consistent with the 106 feet limitation in Final Order 638-F. However, the applicant has expressed interest in a slight increase for the sake of the building architecture, and OP is encouraging a ground floor ceiling height of 14 feet clear instead of the proposed 13 feet 4 inches. OP has consistently recommended the greater ceiling heights so future retail space remains flexible and competitive in a changing lease space market. OP will continue working with the applicant to determine the minimum building height necessary to address these concerns, and what any change means impacts the need for zoning relief.
- Vehicular circulation: Item No. 8 in Final Order 638-F stated that the inn on the subject lot 82 "... shall be set back from its western property line by eleven feet ... thus increasing the effective width of the (abutting north-south) alley to twenty-one feet." The new proposal would provide a 2 foot 6 inch-set back effectively increasing the alley width to 12 feet 6 inches. The applicant takes the position that the additional width needed to serve the planned inn use would not be necessary for the proposed principal office use. OP will work with the applicant and D.C. Department of Transportation to determine how large a setback is required for the resulting alley to adequately serve the anticipated vehicular circulation needs of the adjacent buildings.
- Affordable housing contribution: The applicant would prefer that the referenced affordable housing contribution result in a definitive product directly linked to their investment. OP will work with the applicant to identify suitable alternatives to the Housing Trust Fund.

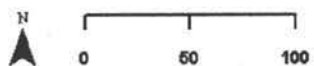
Attachments:

- Exhibit 1 - Site Aerial with Zoning
- Exhibit 2 - A Brief History of Associated Zoning Activity

EMc/afj



Z.C. Application No. 02-51A/01-04M/98-12M/88-32C
1616 Rhode Island Avenue, N.W.



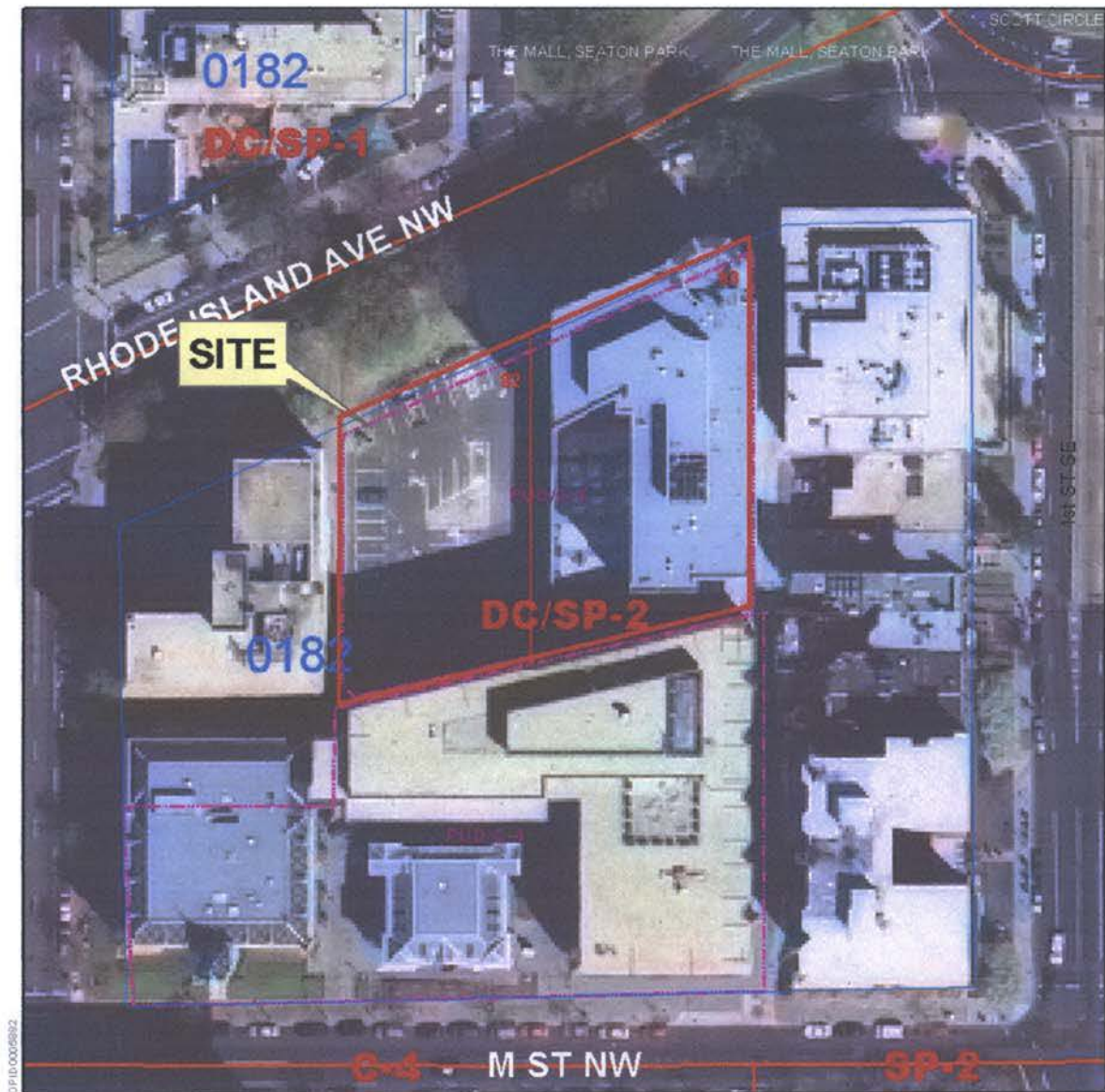
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 Anthony A. Williams, Mayor

Office of Planning ~ April 21, 2005

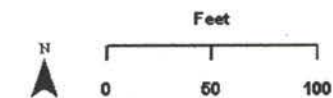
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LEGEND

- Property Squares
- Street Centerlines
- Zoning Districts



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LEGEND

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A Brief History of Associated Zoning Activity

- Final Order #638 became effective on December 15, 1989. The original approved PUD would have redeveloped the original lot with the a single building with a maximum 8.5 FAR: no more that 6.90 FAR devoted to retail/commercial uses; and at least 1.64 FAR devoted to residential uses. Retail uses would occupy at least 9,000 square feet of the ground floor, commercial space would be provided on floors 1 through 8, and 48-52 rental apartment dwellings would be on floors ninth and tenth. The building height was limited to 106 feet and the lot occupancy was not to exceed 93%. A minimum of 125 parking spaces would have been provided on-site for the retail/commercial uses as well as one space of each apartment (a total of 173-177 spaces). Amenities approved with this project included:
 1. The provision of approximately 52 units of rental housing in the Downtown.
 2. Replacing the vacant and deteriorating Gramercy Inn with a mixed-use residential and commercial development that is compatible with area land uses and zoning (note that the total planned FAR was to be 8.5).
 3. A project with compatible architectural features and landscaping.
 4. A development that would generate approximately \$1.2 million in annual real estate tax revenue and other tax revenues (sales, employment, etc.).
 5. Temporary construction jobs, up to 48 full-time and 70 part-time employment opportunities in the retail component, six full-time and twelve part-time employment opportunities in the commercial component and seven opportunities in the residential component.
 6. Signing a First Source Agreement to encourage employment of workers residing in the District.
 7. Signing a Memorandum of Understanding with the Minority Business Opportunity Commission so that opportunities for minority business involvement would be provided in all phases of this development.
 8. Contributing \$150,000 to help fund the renovation of the John W. Ross Elementary School at 1730 R Street, N.W.

This Order also required construction had to begin within three years of its effective date (or by December 15, 1992).

- Within ten days of this approval, the applicant requested the Zoning Commission to reconsider conditions approved with the previous Order concerning the required number of apartment units and on-site parking spaces. After consideration of the applicant's request, the Zoning Commission:
 1. increased the number of apartment units on two floors to 56;
 2. adopted alternative plans for UC underground parking;
 3. granted the authority to vary the arrangement of underground parking; and
 4. required that a covenant be recorded that "shall bind the owner and all successors to construct and use the property in accordance with this Order"; and any subsequent amendments approved by the Zoning Commission.

Final Order No. 638-A became effective on March 9, 1990. The Commission also made these revisions valid for two years after that date.

- Final Order No. 638-B became effective on June 26, 1992, thereby extending Final Order Nos. 638 and 638-A for two years until March 9, 1994.
- On August 1, 1994, a public hearing was held on Zoning Commission Case No. 93-13M/88-32C. The applicant requested: to be allowed to construct a commercial parking facility on the subject property as an interim use for a period, not to exceed three years; and for the Commission to reconsider of previous conditions. The Zoning Commission approved the interim use of site as a parking lot; the associated site and landscaping plans; and allowed the applicant the flexibility to make minor changes to the lot.

Subsequent to Zoning Commission action, Final Order No. 638-C took effect on June 26, 1992, thereby extending Final Order Nos. 638, 638-A and 638-B for three more years until March 9, 1997 (the Certificate of Occupancy for the interim parking use would also expire).

- In a letter dated September 28, 1994, the applicant requested that the Commission reconsider the three-year limitation on the interim parking use and the related Certificate of Occupancy (CO).

Subsequent to Zoning Commission action, Final Order No. 638-D took effect on March 71, 1995, extending the maximum duration of the interim use by six months to September 9, 1997. However, the duration of the PUD was not changed.

- On July 25, 1997, Final Order No. 638-E became effective, thereby: extending Final Orders No. 638, 638-A, 638-B and 638-C for two years; and extending Final Order No. 638-D (related to the interim parking use) for eighteen months; and causing all these orders to expire on March 9, 1999.
- On December 14, 1998, Zoning Commission Application 98-12M was approved to amend the referenced PUD (and subsequent extensions). Final Order No. 638-F authorized divided the allowable FAR between two lots and two buildings (a maximum 8.5 FAR for a "UC" building on lot 83 and 7.9 FAR for an inn on lot 82); and the reduction in the overall maximum allowable FAR from 8.5 to 8.2 (maximum 5.15 FAR of non-residential uses including academic/office/extended stay uses and minimum 3.05 FAR of residential uses).

The University of California (UC) building consists of 11 floors, an 8.5 FAR and a total floor area of 147,305 square feet, of which 99,750 square feet (5.76 FAR) will be for residential uses and 47,555 square feet (2.24 FAR) for other uses. Fifty-seven parking spaces would be provided in a two-level underground garage.

The proposed Homestead Village inn was to consist of first floor ancillary services and 220 units on 11 floors, totaling 121,000 square feet (7.9 FAR). Fifty-seven parking spaces would have been provided in another underground garage. The building lot occupancy was not to exceed 93%.

Additional amenities and benefits approved with this amendment included:

1. Overall development to 8.2 FAR on the combined acreage of both sites:
 - a. The UC development on lot 83 would not exceed an 8.5 FAR
 - b. The inn development on lot 82 would not exceed 7.9 FAR.
 - c. Overall, 3.05 FAR would be for residential uses and 5.15 FAR for academic/office/extended day uses.
2. A development that would generate annual tax revenue of \$1.5 million:
3. The maximum height was not to exceed 106 feet.
4. The UC building was set back from the east property line by five feet to widen the adjacent public alley to fifteen feet, and the proposed inn would set back from its western property line eleven feet to widen the adjacent alley to 21 feet.
5. Temporary construction jobs, up to 48 full-time and 70 part-time employment opportunities in the retail component, six full-time and twelve part-time employment opportunities in the commercial component and seven opportunities in the residential component.
6. Establishment of a mentoring program between the UC and Ross Elementary School (or a substitute facility agreeable to the UC and Advisory Neighborhood Commission 2B) before the issuance of a Certificate of Occupancy for the UC building (the obligation is limited to lot 83).
7. Additional contributions of: \$10,000 to the Dupont Citizens Association for the completion of the Dupont Circle Resource Center by Rhode Island Associates Limited Partnership (the applicant for this amendment) prior to the first to occur of: the issuance of a building permit for the inn; or the issuance of a building permit for the UC building; \$25,000 donation by Homestead Villages, Inc. (developer of the inn) to the National Parks Service for improvements to Dupont Circle Park (this obligation is assigned to subject lot).

It was noted that three amenities and benefits required under Final Order No. 638 had been provided: a \$150,000 donation to the District of Columbia Board of Education; First Source Agreement with the Department of Employment Services; and Memorandum of Understanding with the Minority Business Opportunity Commission (MBOC) to involve minority establishments (in the University of California project).

The Final Order also required that construction begin within two years of its effective date (or by December 3, 2000). The Certificate of Occupancy for the UC building was issued in September 2002.

- Final Order No 871-A became effective on October 12, 2001, extending Order No. 638-F until December 31, 2002 in response to a petition from the Human Rights Campaign (HRC) that initially requested modification of the approved PUD to allow construction of an office building instead of an inn. The HRC instead decided to renovate and occupy the adjoining building located at 1640 Rhode Island Avenue, N.W.
- Final Order No. 871-B became effective on September 5, 2003, extending Order No. 638-F until April 14, 2005.